DOCUMENT RESUME

ED 379 491 CE 068 318

AUTHOR	Toye, Janet; And Others
TITLE	Training in the Retail Trade in the United Kingdom. Report for the FORCE Programme. First Edition.
INSTITUTION	European Centre for the Development of Vocational Training, Berlin (Germany).
REPORT NO	ISBN-92-826-7320-0
PUB DATE	93
NOTE	93p.; For reports on other countries, see ED 372 241-243 and CE 068 309-314. Cover title varies.
AVAILABLE FROM	UNIPUB, 4661-F Assembly Drive, Lanham, MD 20706-4391 (Catalogue No. HX-80-93-694-EN-C: 8 European Currency Units).
PUB TYPE	Reports - Research/Technical (143)
EDRS PRICE	MF01/PC04 Plus Postage.
DESCRIPTORS	Case Studies; Corporate Education; *Distributive Education; Educational Improvement; Educational Needs; *Educational Trends; *Education Work Relationship; Employment Patterns; Foreign Countries; *Job Training; Labor Market; Merchandising; Personnel Management; Postsecondary Education; Private Sector; Recruitment; *Retailing; Sales Occupations; Secondary Education; Tables (Data); *Training Methods; Training Objectives; Trend Analysis
IDENTIFIERS	*United Kingdom

ABSTRACT

An international team of researchers studied the following aspects of training in the United Kingdom's retail sector: structure and characteristics, institutional and social context, employment and labor, changing conditions and their implications for skill requirements, and training and recruitment. Data were collected from an analysis of social and labor/employment statistics, literature review, and case studies of a department store, grocery retailer, menswear chain, cooperative society, pharmacy, and health food shop. The four largest companies all had polices of providing training throughout the company, and all had recently increased the amount of training they provided. At the two independent companies studied, the existence of relevant training providers was crucial. Level of training was often determined by whether employees were eligible for promotion. Distance learning and/or open learning packages were being used by four companies. No company performed formal cost-benefit analyses of training. The employers interviewed were concerned with how the new national Retail Certificate would fit into their company needs. Unions were not generally involved in discussions of local training issues. Most employees interviewed considered their training valuable; however, none had strong views regarding how it could be improved. (Contains 43 tables/figures and 46 references.) (MN)

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ED 379 491

FORCE
FORMATION CONTINUE EN EUROPE
Commission of the European Communities

UNITED KINGDOM
REPORT

RETAIL SECTOR

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TASK FORCE – Human Resources, Education, Training and Youth

CE 068 318

RETAIL SECTOR

TRAINING IN THE RETAIL TRADE IN THE UNITED KINGDOM

REPORT FOR THE FORCE PROGRAMME

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1992

First edition, Berlin 1993
Published by:
CEDEFOP – European Centre for the Development of Vocational Training,
Jean Monnet House, Bundesallee 22, D-10717 Berlin
Fax 49-30 + 88 41 22 22
Tel. 49-30 + 88 41 20 · Telex 18 41 63 eucen d
The Centre was established by Regulation (EEC) No 337/75
of the Council of the European Communities

Cataloguing data can be found at the end of this publication

Luxembourg: Office for Official Publications of the European Communities, 1994

ISBN 92-826-7320-0

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Printed in Germany

FORCE

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Commission of the European Communities
TASK FORCE
Human Resources, Education, Training and Youth
Rue de la Loi, 200; B-1049 Bruxelles

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ACKNOWLEDGEMENTS

This study was carried out in the framework of the European Retail Trade Sector Study, within the EC FORCE programme, and conducted by a Central Team made up mainly of member centres of 'EURONET Work & Education', under the responsibility of the CIREM Foundation in Barcelona.

The Central Team as composed of Olivier Bertrand (Cereq, Paris), Oriol Homs (Cirem, Barcelona), Wilfried Kruse (S.F.S. Dortmund), Marisa Mendez-Vigo (Cirem, Barcelona) and Harry van den Tillaart (ITS, Nijmegen), in close collaboration with Tina Bertzeletou from CEDEFOP (Berlin).

The project team would like to thank the companies who gave access for research, and whose staff provided the information and help which enabled us to write the case studies. We very much appreciate the time and effort invested so generously.

We would also like to thank the employers' organizations and trade unions and their representatives, who contributed to the research by making suggestions for case studies, attending meetings and commenting on the draft report.

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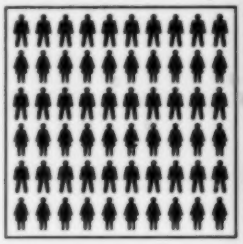
PART 1:

DESCRIPTION OF THE RETAIL SECTOR AND ITS DEVELOPMENT



1. Definitions
2. Structure and Characteristics of Retailing
3. Institutional and Social Context
4. Employment and Labour
5. Changing Conditions and their Implication for Skill Requirements
6. Training and Recruitment
7. Issues

SECTION 1 – DEFINITIONS

The category of retail distribution used in UK employment statistics is similar to items 52.1 to 52.6 of the European classification of industries, but it additionally includes distribution of motor vehicles and parts, and petrol stations. When compiling tables ourselves we have excluded these categories, but in tables provided by other organizations and quoted by us, they are included.

There are no nationally agreed definitions of different types of retail outlet in the UK. The following list, which is widely adhered to, is based on two sources (Davies, 1984, and Institute for Retail Studies, 1990).

Supermarkets
Grocery stores with a sales area of at least 5,000 sq. ft. (465 sq. m.).

Superstores
Retail organizations with sales areas between 25,000 sq. ft. (2,323 sq. m.) and 50,000 sq. ft. (4,647 sq. m.) selling mainly through self-service a wide range of food and non-food products, with adequate parking facilities available.

Hypermarkets
Similar to superstores but with a sales area of over 50,000 sq. ft. (4,647 sq. m.).

Variety Store
A store trading on one or more floors, with an average sales area of 15,000 sq. ft. (1,394 sq. m.) selling a mixed range of products.

Department Store
A store with a sales area of over 25,000 sq. ft. (2,324 sq. m.), selling mainly non-food merchandise. They have at least 25 employees, sell women's clothes and are often located on several floors.

Multiple
A retailer with more than one outlet in any subsector. In practice most supermarkets, superstores and hypermarkets are owned by multiples.

Convenience Store
An establishment whose aim is to satisfy immediate consumer needs through the advantage of neighbourhood convenience. The main characteristics are that they are open seven days a week, for extended hours, selling a limited range of grocery, tobacco, confectionery and fresh goods.

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SECTION 2 – STRUCTURE AND CHARACTERISTICS OF RETAILING

2.1 Historical Development

The origins of modern retailing were in markets and craft businesses, with developments into fixed shop retailing taking place in the first half of the nineteenth century. Improvements in transport during the industrial revolution meant that it was possible for shops to carry a range of goods rather than selling only the craftsman's own products, and their increase was particularly great in rapidly expanding commercial and manufacturing towns.

Department stores were well established in London by the 1870s and large provincial towns. Multiples were first established in the food sector, but by the 1880s included a range of trades. The cooperative movement began in the 1860s, and enjoyed a second major spurt of growth during the 1890s.

By the beginning of the twentieth century proprietary goods and pre-packaging, as used by the multiples, were already thought to be undermining the skills of the traditional retailer. As early as 1911 an observer is quoted as saying that 'knowledge of a shopkeeping trade is not nowadays considered nearly so necessary as purely commercial ability.'

The background to growth of the retail sector in the postwar period has been a considerable increase in real incomes and thus in consumer spending. Volume sales have climbed steadily from £5 billion in 1950 to more than £100 billion in 1987: Fig 2.1.

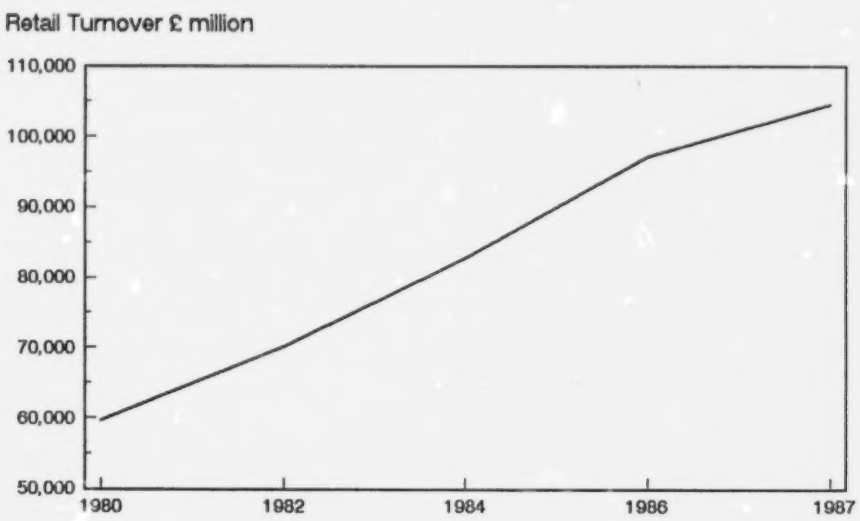
However, not all consumer spending is done through shops. Whereas 53 per cent of all consumer spending was through retail outlets in 1953, the proportion in 1989 was 39.5 per cent: Table 2.1. The balance is on housing and all other services paid for directly by the consumer.

Table 2.1 Consumer Expenditure and Volume of Retail Sales

Year	Total Consumer Expenditure £Million	Retail Sales £Million
1985	217,941	87,920 (40.3)
1986	231,668	92,50 (40.0)
1987	243,787	98,031 (40.2)
1988	260,713	104,801 (40.2)
1989	270,766	107,087 (39.5)

Source: UK National Accounts 1990/IMS
Volume of Retail sales as a percentage of Consumer Expenditure shown in brackets.

Figure 2.1



Source: Business Monitor, SDA 25, 1987/IMS

1.

The most noticeable change in the nature of retailing from the consumer's point of view has been the development of self-service. This was introduced rapidly in the food sector in the 1950s, and supermarkets – outlets of the same kind but on a larger scale – became commonplace from the 1960s onwards. Self-service has subsequently become the norm for non-food products in larger outlets like department and variety stores. The supermarket concept has also been applied more recently in the development of superstores selling DIY (tools, painting and decorating materials etc.), cheaper lines of clothing, and household goods such as furniture and electrical appliances.

Relatively few hypermarkets as defined in the UK (sales area over 4,647 sq.m.) have been built.[1] When UK companies first applied for planning permission to build hypermarkets in the 1960s there was often suspicion on the part of planning authorities because they were a 'foreign influence'. Consequently restrictions were sometimes placed on the size which would be allowed. In the few cases where companies did get planning permission they were not always successful. For instance, Carrefour set up two hypermarkets in the early 1970s, but pulled out fairly quickly. It appears that people were not prepared to travel the distances required to make such operations profitable. UK companies which have set up hypermarkets have often found the food side to be more profitable than non-food; and as a result the non-food side has not been much developed.

The term 'superstore' was coined by UK companies attempting to get planning permission as early as the 1960s as an alternative to the foreign sounding 'hypermarket'. As the number of very large stores has in recent years increased dramatically the term has come into common use.

Less obvious to the consumer than the growth in self-service and size of outlets have been changes in the way that the whole process of distribution is organized. In the 1950s retail and wholesale functions could be clearly distinguished, whereas now wholesalers sometimes sell directly to the public and retailers act as their own stockists. Some large retailers have a direct relationship with producers, companies dictating both the type and quality of product they will sell, and in such cases there is no longer a function for the wholesaler. Connected with these developments is greater concentration in production both of goods and services. Consumers are themselves more likely to use bulk-buying, making visits to shops less frequently than in the past and buying a greater range of goods from one outlet.

2.2 Market Structure

Mergers and takeovers have also had a major impact on retailing, with significant activity in the 1960s, and a steadily increasing rate of change ever since. Eighteen major takeovers occurred in the 1970s, with a similar number occurring in the first half of the eighties alone. As a result control is in the power of fewer companies, and often the number of outlets of a particular type is reduced. This trend is not always obvious to the public because companies acquired by another, and thus no longer independent, often continue under their original name. The consequence for the consumer may in practice be less choice.

All these changes have had considerable impact on small businesses, with the total number of retail businesses declining steadily in recent years: Fig. 2.2.

The smallest firms – independent family retailers with a single shop or perhaps two or three branches – closed at the rate of around 30 per day during the 1960s and at an even faster rate during the 1970s. During the 1980s the overall contraction in numbers of retail businesses continued. In 1987 retailers with fewer than 10 outlets still constituted the great majority of businesses – see Table 2.2 – but their share of the market had fallen to 40 per cent. Fig. 2.3 shows the position graphically for 1988.

A significant response among independents to the competitive pressures they face from the large multiples has been the formation of voluntary trading groups, whereby independents operate under the trading group's name. (Spar, Mace and VG are the three largest.)[2] Such groups were initiated by the wholesaling sector, with wholesaling members supplying the goods, and the group itself providing associated services such as a clearing house for payment of the suppliers, marketing materials and shopfitting. Some of the more traditional trade associations have similarly expanded their services, and in some cases have acquired a wholesaling arm. The National Association of Health Food Stores, which features in one of the case studies, is an example.

Turnover of different retail sub-sectors and their growth in the 1980s is shown in Fig 2.4. Growth of food retailing, which has the largest market share, increased by 65 per cent, but growth was even more marked in small sub-sectors such as household goods (109 per cent) and other non-food (89 per cent).

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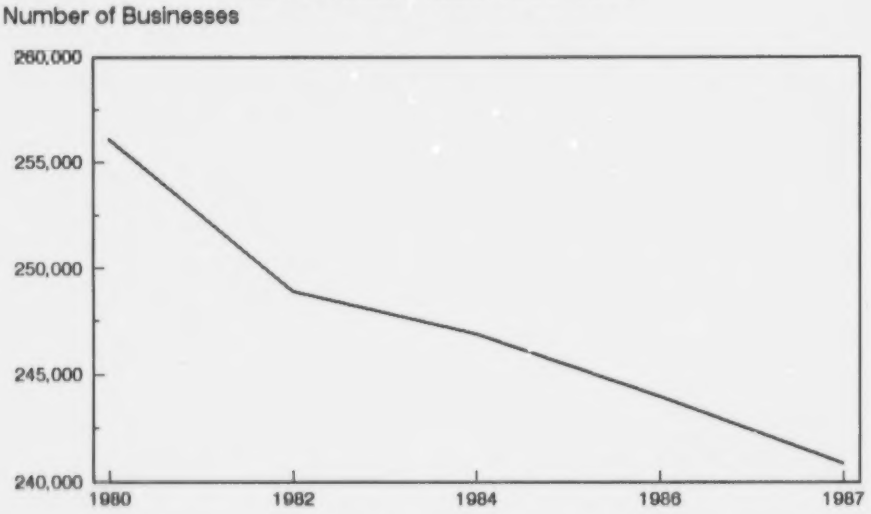
[1] We are indebted to Dr Leigh Sparks of the Institute of Retailing, University of Stirling, for comments on the relatively small numbers of hypermarkets in Britain.

[2] In 1989 membership of VG and Spar was estimated at 3,250 businesses, some of them with more than one outlet, and the number employed at between 25,00 and 30,000 (including the self-employed owners.)

Figure 2.2

Total Retail Trade 1980-1987



Source: Business Monitor, SDA 25, 1987/IMS

Table 2.2 Numbers of Businesses by Size in the Retail Trade

Type of Outlet	Number of Outlets		
	1984	1986	1988
Single Outlet Retailers	218,700	217,247	212,711
Small Multiple Retailers (2-9)	70,235	65,783	61,687
Large Multiple Retailers (10 or more)	60,793	60,356	62,700
	349,728	343,386	337,098

Source: Central Statistical Office

The latter includes such categories as computers, videos and music equipment, and other new forms of specialist retailing such as niche selling. Examples of niche selling which started in the 1980s included sale of socks or ties in varied outlets including railway station forecourts; such outlets typically were very small.

Growth in these areas may help explain why the downward trend in the number of outlets showed some reverse in 1986: Fig. 2.5.

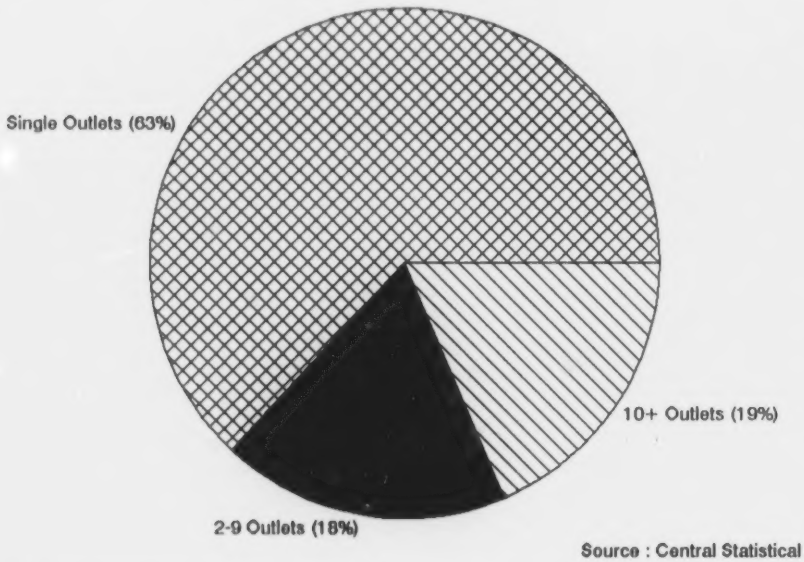
Numbers of outlets for drink, confectionery and tobacco also increased over the same period. By contrast there has been a steady decline in the number of food outlets, as larger stores take an increasing share of the market. The same is true of outlets selling clothing, footwear and leather goods, and household goods. Most recent information on the distribution of outlets by type is shown in Fig. 2.6.

Within the food sector, multiple stores with a floor space between 10,000 and 25,000 sq.ft. (929 sq.m. and 2,324 sq.m. respectively) are the most common type of outlet. (See Table 2.3) Cooperatives constitute about one third of multiples within the size range 5,000 to 10,000 sq.ft. (465-929 sq.m.).

1.

Figure 2.3

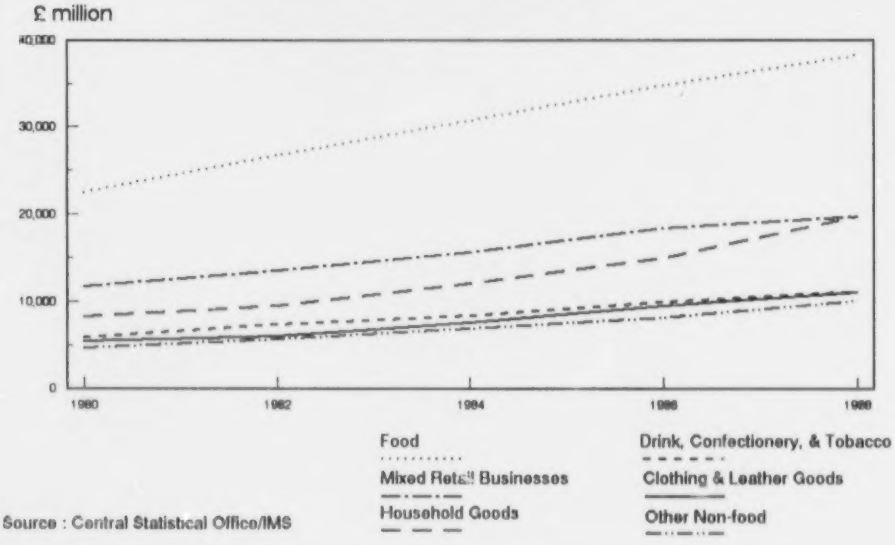
Retail Businesses by Size 1988



Source : Central Statistical Office/IMS

Figure 2.4

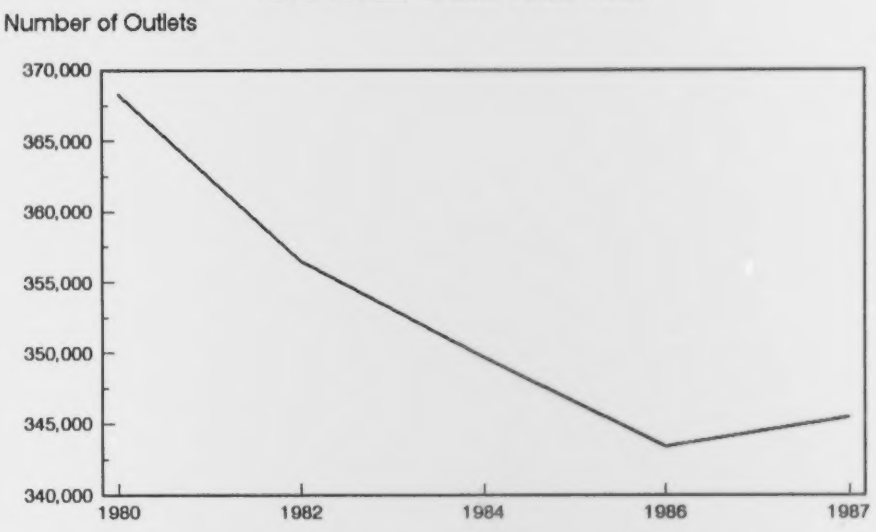
Retail Turnover 1980-1988



Source : Central Statistical Office/IMS

Figure 2.5

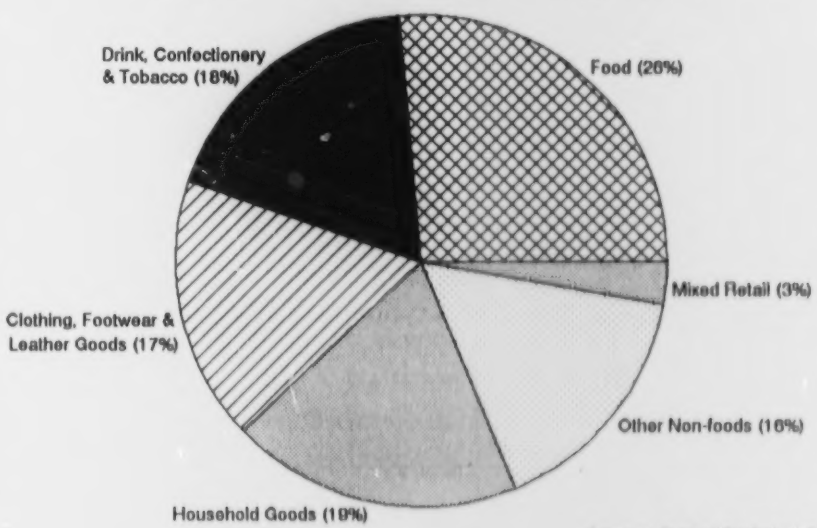
Total Retail Trade 1980-1987



Source: Business Monitor, SDA 25, 1987/IMS

Figure 2.6

Proportion of Outlets by Retail Type 1988



Source : Central Statistical Office/IMS

Table 2.3 Proportion of Multiple and Coop Stores in the Grocery Sector 1990

Type of Store	Total Number GB	Percentage of Total
Coops 5,000–10,000 sq.ft.	269	10.5
Multiple Stores 5,000–10,000 sq.ft.	566	22
Multiple Stores 10,000–25,000 sq.ft.	1088	42.4
Superstores & Hypermarkets 25,000+ sq.ft.	644	25.1
Total	2567	100.0

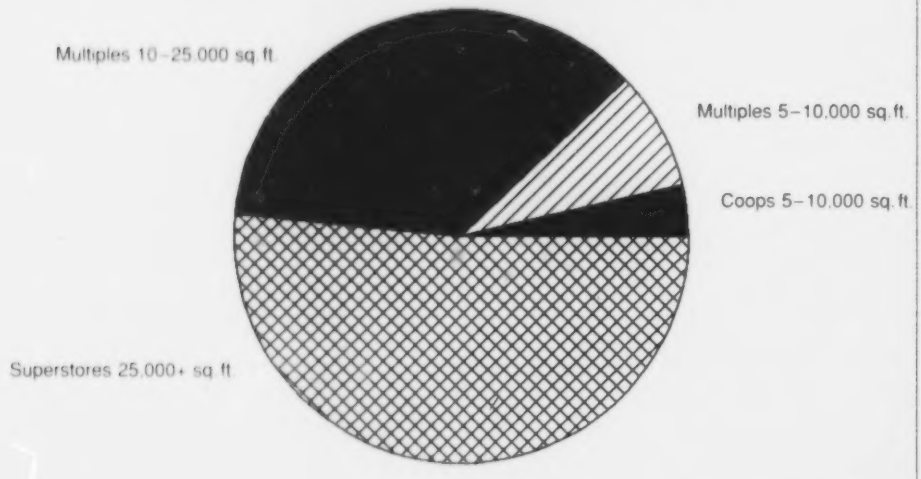
Source: IGD Grocery Stores Directory, 1990, vols 1–4.

However, the actual number of supermarket and hypermarket outlets (UK definitions), which still form only one quarter of all larger food outlets, gives a misleading impression of their importance. In terms of sales area they are the most significant type of outlet – Fig 2.7 – while multiples of less than 10,000 square feet, including cooperatives, account for only about one sixth of sales areas within larger stores.

Convenience stores, by contrast, typically are very small, often family-owned and with few employees – Table 2.4 – and for the most part they are also food outlets. The cooperative form of ownership is represented here also.

Figure 2.7

Proportion of Sales Areas of Multiple and Coop Stores in the Grocery Sector, 1990



Source: IGD Grocery Stores Directory 1990/IMS

Table 2.4 Number of Convenience Stores by Form of Organization

Form of Organisation	Number of Outlets	Percentage of Total
Specialists	425	8.4
Grocers	3,690	73.0
Cooperatives	553	10.9
CNT (Confectionery, Tobacco & News)	391	7.7
Total	5,059	100

Source: IGD Food Retailing 1990/IMS

SECTION 3 – INSTITUTIONAL AND SOCIAL CONTEXT

3.1 Legislation

The legislation which currently attracts most public discussion in the UK is that governing opening and location of new stores and Sunday opening. Legislation also applies to consumer protection, employees' pay, equal opportunities, and health and safety.

Land Use

Control of land use through the planning system is operated by local authorities (elected at district or county level) and central government, and is concerned with location, design and use of new premises for retailing and some aspects of changes of use for existing buildings. In the first instance the local authority decides whether or not to grant planning permission by reference to such factors as congruence with existing shopping facilities, transport and road safety, impact on locality and alternative land use, and employment implications. The central government Department of Environment may also comment on large retail applications and, if an application is turned down by the local authority, may reverse the decision on appeal. Research has shown (Dawson and Sparks) that for the purpose of such decisions local authorities lack access to adequate data about retail locations, business activity, turnover, employment and selling space. A decennial Census of Distribution which used to help inform the process was abandoned in 1983. In recent years decisions on out of town stores have more often favoured the developers.

Opening Hours

Enforcement of legislation on opening hours is also the responsibility of local authorities, and they have the powers to extend opening hours in a variety of circumstances. The most common opening hours are from 9 a.m. until 5.30 p.m., but many large shops open later at least one evening in the week, and it is common for supermarkets to open until 8 or 9 p.m. on several evenings. Closing is usually earlier on a Saturday in these cases, say 4 p.m. Convenience shops may open every day often for 12 hours or more, and in some cases for 24 hours. With the exception of Sundays, opening hours are generally not a contentious issue.

Sunday Opening

The law allows certain categories of goods to be sold on Sundays and about one in five shops opens legally on Sundays while being restricted in what can be sold. Traders have from time to time challenged the law, and it has then been up to the local authority to decide whether to prosecute. At present, law and practice on Sunday opening are in complete disarray awaiting a decision from the European Court of Justice on whether restraints on Sunday trading are compatible with Article 30 of the Treaty of Rome. In a dispute between a retailer and a local authority which went to the Court of Appeal in May 1991, the Court in effect barred local authorities from acting against retailers who flouted the Shops Act unless they were prepared to pay retailers for lost sales should the European Court rule in favour of Sunday opening. In the period before Christmas, 1991, when shops were particularly anxious to increase sales because of the current recession, a number of major chains – supermarkets, variety stores, and specialists – opened on Sunday, and some of them have continued the practice into the New Year. Some of these oppose Sunday trading in principle, but stated that they were opening because they could not risk losing trade to their competitors. Others decided not to open despite this risk.

In general the trade is divided: the Retail Consortium, the largest retail employers' organization, represents retailers on both sides of the debate. The unions are concerned because they foresee pressure on employees to work on Sundays.

Consumer Protection

There is a large body of legislation in respect of consumer protection. The most recent important statute is the Consumer Protection Action 1987 which imposes strict liability on the producers of goods which prove to be defective and which cause damage to persons and/or property. Part 1 of the Act seeks to implement the European Community Directive on Product Liability.

Pay

In the past pay for many low-paid sectors was set nationally under statutory regulations by Wages Councils, and inspectors had responsibility for ensuring that employers paid the minimum rate. The Wages Councils are composed of equal numbers of employer and trade union representatives together with a number of independent members. While Government policy is to phase out this system, such Councils still set the pay for employees over 21 years of age in a limited number of trades and industries, including one for retail food and allied trades and another for non-food retail. More than half of retail employees come within the scope of the relevant Wages Councils, and many companies set annual percentage wage increases by reference to their rates.

The rate set for retail employees with effect from 1st April 1991 was £2.995. While the New Earnings Survey for April 1991 shows by comparison the average hourly rate for male sales assistants and checkout operators as £4.384 and for females as £3.66, evidence from the Wages Inspectorate shows that many employers make illegal underpayment. Research suggests (Department of Employment, Research Paper No. 51) that the basic rate set by the Wages Councils influences rates set under voluntary

collective agreements and by employers who set rates without union involvement. The female rate just quoted was the same as average earnings for all female manual workers, but the male rate was lower than male manual average earnings.

Equal Opportunities
Legislation to protect the rights of women and ethnic minorities, including those in employment, involves the Sex Discrimination Act of 1975, and subsequent amending legislation, and the Race Relations Act of 1976. Both make direct and indirect discrimination against individuals on grounds of gender or race illegal, and this includes the terms and conditions of employment. An example of indirect discrimination would be if part-timers as a group were treated less favourably than full-time employees if it could be shown that in practice most part-timers were women.

The onus to demonstrate that discrimination has occurred rests with the complainant, and relatively few cases are brought. The Equal Opportunities Commission, for women, and the Commission for Racial Equality, have funds to help individuals take their cases before the relevant tribunals and courts. In certain circumstances each Commission also has powers to carry out investigations into the practices of large organizations, and can subsequently make recommendations for such organizations to take action to eliminate discrimination if it is proved.

Equal Pay legislation, most recently amended in 1986, gives men and women the right to equal treatment, as regards terms and conditions of employment, when they are employed in work shown to be of similar value under a job evaluation scheme. It applies to full and part-time employment. Following a challenge in an industrial tribunal by a woman check-out operator, backed by USDAW, in 1990 three leading retailers carried out job evaluations which compared the work of check-out operators and other in-store jobs carried out mainly by women, with warehouse jobs carried out mainly by men. Pay increases in the region of 26 per cent were given to sales staff as a result. USDAW subsequently received many complaints about unfair pay and warned that all retailers would face similar test claims unless they agreed to review pay systems. The Equal Opportunities Commission has assisted several cases at industrial tribunals, but would prefer to see the issue of equal pay for equal value taken up at the negotiating table between unions and employers. Since 1990, job evaluation exercises have been carried out in the Cooperative Movement and in a number of other retailing companies with a view to removing the sex bias against women working at the check-out.

The overall effect of equal opportunities legislation and the mechanisms to enforce it appears to have been some reduction in the amount of discrimination practised. Many large companies have an equal opportunities policy, though probably only a minority implement such policies effectively.

Health and Safety
Retail employers have the same duties as others under health and safety legislation which in total involves a considerable number of statutory instruments. The principal piece of legislation is the Health and Safety at Work Act 1974 which requires each employer to ensure that systems of work and their use are safe and without risk to health, to provide employees with appropriate information and supervision, and to maintain an up to date statement of policy on health and safety. Where a company recognizes a trade union the union has the right to appoint one or more safety representatives. Responsibility for enforcement within retail is the responsibility of local authority environmental health officers. Compliance is least satisfactory for all sectors among small employers. In general retail is regarded as a low risk area.

3.2 Employers' Role in Training
In the general area of employment and training Government policy since 1979 has been one of deregulation, with greater emphasis on the voluntary efforts of employers, and diminution of the role of the unions.

This can be illustrated in national arrangements for training. Whereas a central government department was formerly responsible for training at national, regional and local level, its role at local level has now been transferred to Training and Enterprise Councils (TECs) in England and Wales, and Local Enterprise Companies (LECs) in Scotland. TECs and LECS, which were set up on the Government's initiative during 1989 and 1990, have the status of independent companies operating under performance contracts with the central government department. At least two thirds of their Boards must be private sector employers who are chairpersons, chief executives or top operational managers at local levels in companies. Other Board members may be chief executives or their equivalents from education, economic development organizations, trade unions, voluntary organizations and the public sector. Under previous arrangements, trade union representation was a requirement both at national and local level.

The overall aim of the TEC and LEC initiative was to give employers a major role in training and to encourage their involvement on a voluntary basis. Whereas the TECs and LECs receive funding from the Government, contributions from businesses are also encouraged and are tax-deductible. TECs and LECs receive funding and are responsible for the organization of national training programmes – for young people and for the unemployed – through training organizations (called 'managing agents') on similar lines to provision under previous arrangements. Otherwise their functions

are to provide support for new and expanding businesses, to promote training by employers for their own employees, and to promote closer links between business and education.

There is also a network of Industry Training Organizations (ITOs) whose role is to support and provide training for each sector on a voluntary basis. ITOs raise income by subscriptions and charges for their products and services, and have in most sectors replaced Industry Training Boards (ITBs), which raised funds through a training levy on employers. The activities of ITOs are intended to complement those of the TECs.

The National Retail Training Council (NRTC) is an ITO, and also one of a number of Industry Lead Bodies with responsibility for setting standards relevant to qualifications and training within its own sector. It is a tripartite institution with 17 employer representatives, 6 trade union representatives and 6 representatives from the education sector. A key task for the NRTC has been to lead the development of a new form of vocational qualification (an NVQ) for retail, under the auspices of the National Council for Vocational Qualifications, which is concerned with the development of vocational qualifications in all sectors.

Further information about training and qualifications is given in Section 6.

3.3 The Role of the Social Partners

In general the level of trade union membership is less in retail than the average, with 17 per cent of retail employees being union members in 1989 compared with an average membership for all sectors of 39 per cent. Some large companies have a policy of discouraging union membership and in some cases have internal staff associations as an alternative. However, membership is much higher among larger companies – see Table 3.1 – than in small ones as it is difficult to recruit members among employees of the sector's many small businesses because they are so dispersed. High staff turnover is another factor discouraging union membership.

Table 3.1 Percentage of Retail Union Membership by Size of Workplace 1989

Number of Employees	Per cent in Membership
Fewer than 6	4
6-24	9
25 and above	28

Source: Employment Gazette 1991

Within industry as a whole more men (44 per cent in 1989) are union members than women (33 per cent). This difference is not found in retail – see Table 3.2 – where instead part or full-time status appears to make an important difference to union membership.

Table 3.2 Percentage of Retail Employees in Union Membership 1989

Full-time employees	20
Part-time employees	13
Male employees	17
Female employees	16

Source: Employment Gazette 1991

However, women are in the majority among part-timers and as a group have no tradition of union membership.

Of the unions with membership in retail, USDAW (the Union of Shop, Distributive and Allied Workers) is the largest, with a membership in 1989 of just over 400,000 employees. Research undertaken into the needs of part-time workers (USDAW, 1990) showed that the two main reasons for membership were the existence in the company of a union membership agreement, and that membership would ensure entitlement to rights, security and avoidance of victimization. Among those who were not members, many of them in workplaces where the union was not recognized, the most commonly cited reason for non-membership was that no-one had asked the individual to join. The next two most common responses were that union membership was not worthwhile given a short working week and that unions could do nothing for part-timers.

As noted above, the trade unions are represented on the NRTC and thus are consulted on issues concerning qualifications and training. While provision of training is now recognized as a relevant issue for negotiation between employers and unions, close involvement of the unions at workplace level appears to be rare. However, one of the case studies is expected to provide an example.

Research carried out in 1989 identified over fifty active retail trade associations representing employers and their interests. The Retail Consortium, which itself comprises 6 of the main trade associations, and thus represents major employers, the cooperative movement, and small employers through the locally based chambers of trade, is consulted by government on legislation and represents retail employers at European level. It

helped set up the NRTC, on which it is represented and with which it maintains close links in terms of membership, support and consultation.

Of the remaining trade associations a few represent small shopkeepers regardless of trade, but the majority represent specialist traders, for example, within floristry, sports goods or menswear. All provide direct services for their members – advice or insurance for instance – and a few, as described in Section 2, act as voluntary trading groups. Most also have a representational role with Government, which can involve regular contact with government departments, lobbying of MPs, or activity at local authority level. About half provide some form of training which is open to members and their employees. Some of those most active in training have taken part in working groups and pilot schemes for the development of the NRTC sponsored retail certificate and its specialist options.

SECTION 4 – EMPLOYMENT AND LABOUR

4.1 Nature of Labour Force

Numbers Employed

The total UK labour force in 1989 was almost 23 million, of which retail's share was 9.9 per cent.[1] The proportion of employees in retail has remained fairly stable for many years. While there was a decline at the beginning of the 1980s during a period of recession, this was followed by an increase not quite back to the previous level: Table 4.1.

Table 4.1 Employment in Retailing 1980–1988

Type of Retailing	Number of People (Thousands)					% Change 1988/1980
	1980	1982	1984	1986	1988	
Food	842 (36)	788 (35)	816 (36)	818 (36)	809 (35)	-3.9
Drink, Confectionery & Tobacco	249 (10)	257 (12)	252 (11)	268 (12)	259 (11)	4.0
Clothing, Footwear & Leather	306 (13)	277 (12)	292 (13)	294 (13)	298 (13)	-2.6
Household Goods	292 (12)	272 (12)	283 (12)	305 (13)	319 (14)	9.2
Other Non-Foods	229 (10)	218 (10)	219 (10)	234 (10)	237 (10)	3.5
Mixed Retail Businesses	445 (19)	405 (18)	415 (18)	380 (16)	387 (17)	-13.0
Total Retail Trade	2,363 (100)	2,217 (100)	2,277 (100)	2,299 (100)	2,309 (100)	-2.3

Per cent share of total in brackets.

Source: Central Statistical Office 1991[2]

The level of employment within different areas of retail varied quite significantly relative to the general trend, as is also shown in Table 4.1, and on the whole mirrors changes in the number of outlets for the different sectors described in Section 2. Thus a reduction in the number of food outlets, with the size of outlets increasing, has been accompanied by a fall in the number employed. Given that food retailing's turnover also increased over the period, the savings on labour which can be made through larger but fewer outlets is clearly demonstrated. Drink, confectionery and tobacco grew both in terms of employment and outlets. However, growth in turnover of household goods showed expansion of employment despite a fall in the number of outlets. A possible explanation is that more employees are being used to provide a higher level of service.

Occupational Structure

Among those employed in the retail sector sales staff are in the majority, as would be expected: Table 4.2. The ratio of supervisors to basic grade staff is about 1:6, and of managers to basic grade staff 1:2.5.

The proportion of employees categorized as managers at 22.6 per cent is high compared with the 10 per cent of managers in the working population as a whole. It seems likely that the job title is used more widely in retail than in other occupations. For instance, the person in charge in a small shop, with perhaps only 2 or 3 staff altogether, will be called a manager. The title also covers departmental managers in large stores as well as the store manager, area and regional managers for multiples, plus many headquarters staff.

[1] Employment Gazette, February 1991.

[2] CSO figures include the self-employed.

The very large group of 'others' includes a diverse range of functions which are necessary within large organizations but which are not specific to retail.

Table 4.2 Distribution of Retail Employment by Occupational Group 1990

Occupational Group	Number of People	% of Total
Sales	1,226,737	47.7
General Managers	581,650	22.6
Supervisors	152,948	5.9
Clerical & Secretarial	42,395	1.6
Accounts and Computer Analysts	14,199	0.6
Personnel	7,550	0.3
Buyers	6,509	0.25
Others	541,734	21.0
Total	**2,573,672***	**100.0**

Source: IMS/Labour Force Survey 1991

* This table shows numbers employed by occupational group (Standard Occupational Classification), and is not compiled on the same basis as Table 4.1 which is based on the numbers employed in the retail sector (Standard Industrial Sector).

Part-time Work and Women's Employment

Part-time working has long been a characteristic of retail in the UK, and the retail sector employs more part-timers than any other. In 1970 35 per cent of employees were part-time, and this rose to 40 per cent by the 1980s, at which level it has remained.

The majority of part-timers have always been women. Their role in full and part-time working amongst all employees is shown for the 1980s in Table 4.3. The proportion of women employed overall has increased very gradually but steadily since 1982, and the proportion of part-timers also increased until 1988. Women are under-represented in managerial and supervisory grades, and in particular there are few part-timers working in such positions. (NEDO 1988) The scale of part-time employment for men is very small by comparison.

Whereas women are in the majority among retail employees fewer of them are self-employed: Table 4.4. A ratio of about 3 women to every 5 men who are self-employed has remained fairly steady through the 1980s. Self-employment clearly offers women better opportunities for management and self-development than employment, but it involves far fewer of them.

Ethnicity

The number of people from ethnic minorities working in retail is over 5 per cent, which is slightly higher than the numbers of ethnic minorities found in the working population (Table 4.5). The proportion is partly explained by the increasing numbers of families of Asian origin who own and run small shops, for instance convenience stores or newsagents. This is a trend observed in the membership of many of the retail trade associations covering these sub-sectors. (IMS 1989). Research conducted for the Equal Opportunities Commission and the Commission for Racial Equality (Equal Opportunities Review, 1988) found that employment of ethnic minorities by large retail employers was well below their numbers in the local labour force. Few such companies have well developed equal opportunity policies: one of the case study companies is an exception in having a detailed policy which was agreed with the union.

Young People

Retail has traditionally employed many young people, and this is still the case as shown in Fig 4.1. Numbers in the 40–49 age group are high compared with the overall trend. This is probably explained by the domination of women within the sector: their numbers decline during the child-bearing and rearing years, and increase again when the children become independent.

The number of youth trainees who obtained jobs in retail at the end of training was 7,538 in 1988 rising to 9256 in 1989. (Department of Employment statistics.) Among those whose training places were in retail or wholesale (selling and storage jobs are amalgamated) 63 per cent obtained employment, though not necessarily with the same employer, after leaving between April 1988 and March 1989. Slightly higher numbers of those who had trained in selling occupations obtained jobs in sectors other than selling itself. Those subsequently registered as unemployed, rather than in some other activity, were just under 16 per cent, which is slightly worse than the average for all occupational groups during the same period.

4.2 Working Conditions

General employment legislation which affects the retail sector covers employees' rights in connection with terms of employment. Protection under equal opportunities legislation, time off for antenatal care, and protection against victimization for

Table 4.3 Composition of the Employee Labour Force in Retail Distribution

	Year (at June)				
	1982 %	**1984 %**	**1986 %**	**1988 %**	**1990 %**
Female employees of which:	62.3	62.5	62.7	63.5	64.0
- Part-time	34.2	35.9	37.1	38.2	36.0
- Full-time	28.1	26.6	25.6	25.2	28.0
Male Employees of which:	37.7	37.5	37.3	36.5	36.0
- Part-time	N/A	N/A	6.3	7.3	6.4
- Full-time	N/A	N/A	31.0	29.3	29.6

Source: Employment Gazette Historical Supplement No. 1 February 1990, Historical Supplement No. 2 November 1990.[3]

Table 4.4 Number of Self-Employed People in Retail Distribution

Year (at June)	**Male (000s)**	**Female (000s)**	**Total (000s)**
1981	257	143	400
1983	261	150	411
1984	278	164	442
1985	275	163	437
1986	271	158	429
1987	296	174	470
1988	311	172	483
1989	318	169	488
1990	287	169	456

Source: Employment Gazette; Historical Supplement No. 2, October 1987; April 1991.[4]

taking part in union activities apply regardless of numbers of hours worked. However, those working less than 16 hours a week do not receive the same protection as others on various aspects of employment protection including unfair dismissal, the right not to be dismissed for pregnancy, maternity leave and pay, and redundancy payments.

A study of part-time working (NEDO 1988) found that employers' main reason for employing part-timers was flexibility, the need to cover peak times and an extended working day. Part-timers generally received the same hourly rate as basic grade full-time staff but were excluded from supervisory and management positions. In research undertaken by USDAW (op.cit.) part-timers reported their main problems as having their hours reduced or increased by management without consultation, problems to do with sick pay, and poor job security.

[3] These figures do not include the self-employed.

[4] Statistics relating to the self-employed are compiled separately by the Employment Gazette from those for the employed. No information about part-time working of the self-employed is available.

1.

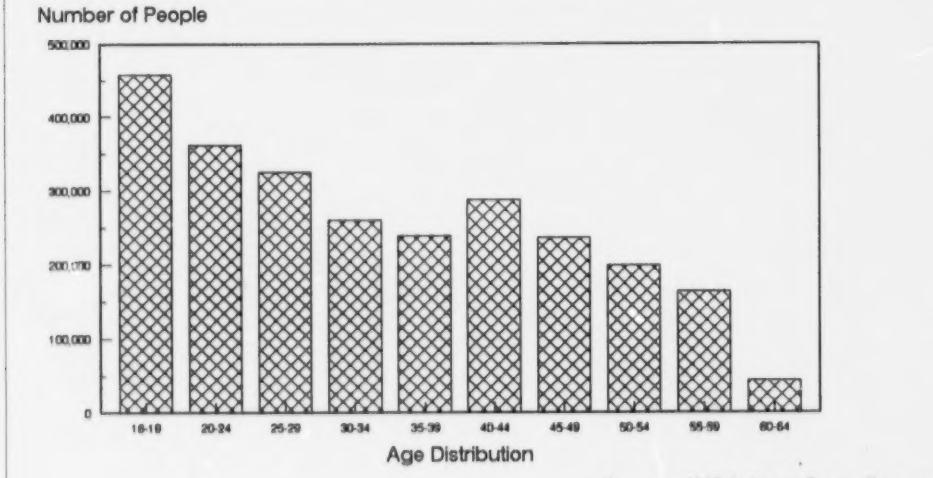
Table 4.5 Retail Distribution by Ethnic Group 1990

Ethnic Group	Number of People	% of total	% of total working Population
White	2,372,255	94.5	95.2
West Indian/Guyanese	15,040	0.6	0.9
Indian	68,420	2.7	1.5
Pakistani/Bangladesh	25,812	1.0	0.9
Others	28,581	1.1	1.5
Total	**2,510,108**	**100.0**	**100.0**

Source: IMS/Labour Force Survey 1991

Figure 4.1

Age Distribution Within the Retail Industry 1990



Source : IMS/Labour Force Survey

SECTION 5 – CHANGING CONDITIONS AND THEIR IMPLICATIONS FOR SKILL REQUIREMENTS

5.1 Market Trends

No radical differences are expected for the foreseeable future away from the main trends which have affected retail over the last twenty years. Mergers and takeovers have had and will continue to increase concentration of ownership, and in these highly competitive conditions companies will probably attempt to diversify by varying the range of products or services offered, and/or by developing new outlets. Price competition is also likely to continue as the buying power of multiple chains and buying organizations increases.

The tendency among large companies to increase store size is expected to continue, as will a trend towards extending product range. Some of them will also diversify into smaller stores offering specialist products. These developments will increase pressure on the independents. In nearly all retail sectors the share of trade held by the independents is in decline and is expected to continue. The main options available to the independents are further development of convenience stores, and the provision of specialist services which differentiate the store from those held by multiples. (Burt 1986)

5.2 Technology

Technological change has involved computerization of many tasks, in particular through the introduction of electronic point of sale (EPOS) technology. The number of companies with scanning equipment increased rapidly in the UK throughout the 1980s. The key characteristic of such systems is that they generate information which, if used correctly, can lead to much better control of products, finance, resources and staff through direct links between different operational areas and, especially, between stores and their supplying units.

For example, the direct product profitability (DPP) model, developed by the Institute of Grocery Distribution in 1987, allows the retailer to calculate precisely the profit for each individual item, taking into account costs of distribution, space, and handling. As a result supermarket chains are able to put greater emphasis on more profitable merchandise and require redesign of packaging to take up less space. Computer systems are also being used to improve buying decisions based on raw sales data and to improve store layout and design.

Research suggests (NEDO 1987 and Dawson 1987) that the main effects of EPOS are for:

- information and decision-making to be devolved to a lower level;
- some traditional jobs to be lost;
- basic grade jobs to be multi-skilled.

It is also easier for management to control store manning effectively by matching staffing levels very accurately with customer flows.

Electronic Funds Transfer at Point of Sale (EFTPOS) is also in the process of being introduced. This allows for direct debit from the customer's to the retailer's account through the use of credit or Connect debit cards. Many retailers have on-line links with the credit card companies, allowing for authorisation and downloading of transaction data each night. Retailers generally get better terms from the credit companies for dealing with transactions in this way. Many large retailers have long had their own credit/account cards. Some of them are now moving into offering a wider range of financial services, for instance selling of shares or arranging mortgages.

5.3 Skill Implications

The implications of all these trends for the workforce is that they will need to be flexible in order to adapt quickly to deal with products and services which will change rapidly. Thus they will have to be able to acquire and use new information at short notice. There will be less specialization in basic grade jobs and employees will need to be able to use a variety of skills. All will need a general awareness of what the technology can do, and be able to access information from it. Where high quality service becomes a competitive strength, employees will need particularly good communication skills in order to relate appropriately to customers.

Store and warehouse managers will need a more thorough appreciation of the technology's capability than other staff, and may also be required to train others. Managers at all levels are likely to require the ability to analyse and interpret data, and to be competent in marketing and merchandising. Managing elaborate rota systems in order to maximise staff availability will also involve good personnel skills.

It seems unlikely that the development of financial services within retail will have direct implications for the majority of staff except at point of sale. Provision of such services will require recruitment and/or training of specialist staff.

5.4 Demographic Factors

The young age profile of employees within the sector makes it particularly vulnerable to demographic trends, i.e. to the expected reduction in numbers of young people coming onto the labour market up to the year 2000. The current recession makes this immediately a less urgent issue for employers, while the numbers of young people in the population in the UK will increase again after 2000. However, the current trend for increasing numbers of young people to stay on at school and college past the age of 16 potentially could have considerable impact on the retail sector.

SECTION 6 – TRAINING AND RECRUITMENT

6.1 Initial Training

Until the mid 1980s training for new recruits to retail was usually carried out either on the job and informally, though young people could also attend courses at further education colleges on a full or part-time basis. A number of different qualifications were available ranging from those at a basic standard for new entrants, through qualifications more suitable for experienced sales staff, to those for supervisors and different levels of management. Estimates vary of the number of people involved, the highest being in the region of 8,000 or 9,000. However, research undertaken by the Further Education Unit for the National Retail Training Council in 1988 suggests that this may be an underestimate. A response from only 50 companies to a questionnaire identified a total of 50 different retail related qualifications and more than 1,000 employees who had achieved them.

In the 1980s a new form of training for young people – Youth Training – available in all sectors, was brought in by the Government. Youth Training consists typically of 'on-the-job' training in a placement provided by an employer and 'off-the-job' training, which may be provided on a day or block release basis at a college, by the employer, or at a training centre set up specially for youth trainees. Initially such training was provided for one year, and within retail some trainees completed a very basic level of qualification: in 1986 7,000 trainees reached this initial standard.

Since 1986 training has been available in the UK for up to 2 years for youth trainees, and in 1988 a new form of work-based qualification called the Retail Certificate became available under arrangements set up by the National Council for Vocational Qualifications, an organization founded by the Government to provide a coherent framework for vocational qualifications in all sectors. The Retail Certificate was introduced by the NRTC, one of the Industry Lead Bodies which was funded by the Government to develop standards of performance relevant to employment. These standards were to be used for the development of qualifications, and in practice as a basis for training leading to them. Registering trainees for the Retail Certificate has been required as a condition for receipt of the Government subsidy for all trainees placed with a retail employer since April 1989.

Details of candidates registering for this certificate and being awarded it to date are shown in Table 6.1. The centres to which the Table refers are organizations responsible for employing staff – verifiers and moderators – and setting up systems to oversee assessment of candidates' performance by reference to the Retail Certificate performance criteria. Assessment itself is usually carried out in the workplace by the trainee's supervisor, who will have received training in the assessment procedures. The 10,383 people recorded in the Table as receiving the Certificate includes older employees as well as youth trainees.

In the UK most large retail companies recruit trainee managers with higher school leaving qualifications at 18 years and/or graduates (Farnham). Such management training schemes are usually work-based but with significant inputs of content off the job. Some use is made of external sources – colleges, universities and polytechnics – and also of specialist retail training establishments, but large companies have their own training departments which take primary responsibility for the planning and delivery of training.

6.2 Continuing Training

Major retailers commonly have a national and regional training structure through which they deliver training for all levels of employee, including sales staff, supervisors and managers. Continuing training is often a further development or offshoot of initial training. In the case of managers it is likely to be closely tied to progression, either to enable basic grade sales staff to enter supervision or management, or for managers to develop for further promotion.

Management training may include that for specialists in such subjects as meat, bakery or office management, training for store management and for junior, middle and personnel managers employed outside stores at head office, area offices or distribution depots.

6.3 Areas of Special Need

Sales staff hitherto have rarely received any training after initial training on entry, although some shops open one half hour later than usual one day a week so that all staff can receive training, probably delivered as a short talk by a supervisor or manager. Some employers have recently started to make the Retail Certificate available to all sales staff, not just to new entrants, so that even at Level 1 it is in effect being offered as continuing training. Eventually the Certificate will be available nationwide at four levels from basic sales skills up to supervisory and management skills, and thus provide a structure for continuing training related to promotion. The expectation of the NRTC is that it will provide the basis both for initial and continuing training in companies which have hitherto provided little training.

Part-timers in particular have been identified as a group which is neglected by training (NEDO, op.cit.). While larger companies were found to have detailed training policies, those statements did not mention part-timers, and the latter were unlikely to receive training beyond induction procedures and instruction in basic job skills. Where general training was available, less than

Table 6.1 The Certificate in Retailing

Number of Verifiers/Moderators Fully Appointed	133 individuals
Number of Centres Applied	784
Approved Centres	
Retail Company Centres	101
Other	528
Total	629
Number of Candidates Registered	
By Retail Companies	24,922
Other	16,498
Total	41,420
Number of Certificates Awarded	
Specialist	194
Other	10,189
Total	10,383

Source: NRTC 1991

half of part-timers had taken part. In smaller organizations training for part-timers was rudimentary or non-existent. Only in companies which were using open or distance learning as a main means of providing training were part-timers likely to participate on equal terms with others. Among the part-timers themselves 60 per cent had academic qualifications, and many felt that their work did not make full use of their work experience, abilities and qualifications.

Whatever the status of their employees, training is least likely to be provided by small employers. A potential source of training for them are the services offered by a number of trade associations. A few of these have highly developed provision suitable specifically for the small retailer, including distance training materials.

6.4 Numbers Receiving Training

Training statistics collected nationally (Department of Employment Training Statistics 1990 and 1991) allow for comparison between the percentages of all employees nationally receiving training and those in different occupations. In 1986/87 67.5 per cent of employees within retail receiving training compared with 48.3 per cent for employees in all sectors, with the majority of training being done on the job. Such training would probably have been carried out in a relatively unstructured way. The retail category here includes all types of employee including managers. Only 11 per cent of all retail employers in 1986/87 said they provided no training at all.

Table 6.2 shows numbers of those in selling occupations compared with others who in spring 1990 had received some form of training during the previous four weeks. The amount of training received by those in selling occupations[1] is slightly less than the average for all occupations, the shortfall arising mainly in off the job training, i.e. training organized formally and requiring the trainee to spend time away from the workplace.

[1] Employees are identified by their function as defined by the Standard Occupational Classification, and not from their employment in the retail sector as defined by the Standard Industrial Classification (SIC) Other statistics in this report are based on the SIC.

Table 6.2 Percentage of Employees in Selling Occupations in Receipt of Training During Previous Four Weeks, Spring 1990

	Receiving any training	On-the-job training only	Off-the-job training only	Both on and off-the-job training
Selling	13.2	4.3	7.5	1.3
All Occupations	15.4	4.3	8.7	2.4

Source: IMS

The highest percentage recorded as receiving any training was 35.1 per cent for those in professional and related occupations, the lowest at 5 per cent for those in transport and related occupations. While the 1986/7 and 1990 figures are compiled on a different basis, the latest statistics suggest an improvement in the number of retail employees receiving off-the-job training.

In cases where retail employers provided training off the job (again figures relate to 1986/87) 54 per cent was provided by the organization itself and 46 per cent by external organizations such as colleges and polytechnics, specialist training organizations or trade associations. Retail made use of external provision a little more than the average for all sectors.

From the employer's point of view training can have disadvantages as well as benefits, as shown in Table 6.3. Retail suffers more than any other sector from employees leaving for more pay and prospects as a result of training. Employees also want more money or responsibility slightly more often than in other sectors.

However, there are also positive economic factors which influence employers' willingness to train. Employers in the retail sector – Table 6.4 – are more influenced in their decisions to provide training than those in other sectors by the need to sharpen competitiveness and also by the availability of youth and other government sponsored training schemes.

Table 6.3 Percentage of Establishments (which train) Experiencing Drawbacks to a Serious Degree

	Type of Industry								
drawbacks Experiencced	**All Industry**	**Construction**	**Manufacturing**	**Fabrication**	**Transport**	**Retail**	**Finance**	**Catering**	**Health/ Edcn**
Employees Leave For More Pay/ Prospects	38	46	29	38	31	51	38	39	26
Employees Want More Money	26	33	21	27	16	31	34	25	1
Employees Want More Responsibility	22	16	19	19	14	26	33	[illegible]	12
Employees Leave For Self-Employed Jobs	8	19	2	8	6	4	7	11	0
Other	2	5	2	1	3	2	1	2	0

Source: Training Statistics 1990/IMS

Table 6.4 Influences Encouraging Employers to Put More Emphasis on Training

	Type of Industry								
	All Industry	Construction	Manufacturing	Fabrication	Transport	Retail	Finance	Catering	Health/Edcn
Need to Sharpen Competitiveness	56	38	51	49	51	70	70	53	39
H&S/Other Legislation	36	32	50	40	32	36	29	34	45
YTS/Other Training Scheme	29	38	25	30	20	37	10	37	23
Particular Customers' Requests	25	13	26	32	21	26	24	24	41
Recruitment Programmes	24	15	22	33	18	12	32	28	7
Particular Suppliers' Requests	14	1	11	14	13	27	12	14	8
Industrial Training Board	12	24	9	20	7	9	2	16	1
Other Recognized Training Organization	8	8	4	8	3	7	7	11	22
Trade Union Agreements	3	2	6	4	3	1	3	2	0
Other	4	6	6	3	3	4	3	5	6

Source: Training Statistics 1990/IMS

No information is available, however, to show numbers of unemployed people undertaking training within retail on a national basis under the Government's Employment Training scheme. IMS research into retail trade associations in 1989, and recent contact with a range of major employers in connection with this and other research, suggests that relatively few retail companies have become involved, and that Youth Training provision is much more common. These statistics also confirm observations made earlier (Section 3) about the influence of trade unions on training within retail.

6.5 Overview

The foregoing statistics about the amount of training available to retail employees imply a fairly high level of activity, and one which is increasing. The case studies which have accompanied this research confirm that picture: all the companies concerned – chosen admittedly for their good practice – have a full training programme, and the resources devoted to training appear to be increasing.

However, when interpreting the above figures it should be borne in mind that the gross figures for selling occupations include professionals and managers, who in all sectors tend to receive more training than junior staff. Also the statistics give us no indication of the nature or quality of training offered. That offered to sales staff may be no more than a half hour per week given by the store owner or manager on a subject of general relevance, and not linked to personal development or a qualification for the trainees. In this connection note that to date the National Retail Training Council has records of only 10,000 plus certificates being gained nationally by sales assistants.

SECTION 7 – ISSUES

1.

A key question influencing the future development of training provision for the retail sector is the extent to which the quality of employee's skills is a competitive factor. Current high levels of unemployment make it easier for all employers both to hire and to retain staff; their motivation to train will depend at least in part on whether they believe employees need training in order to perform at a level comparable to that of their competitors. While statistics suggest this is a positive factor (NB Table 6.2), no other research evidence has been identified, so the views of case study employers will be of particular interest. The question relates to a number of different aspects of training and its organization.

a) To what extent do employers expect to be able to rely on a ready supply of unskilled labour for their supply of sales staff and to provide only minimal initial training? The alternative is for initial training to provide the basis for continuing training, which includes opportunities for updating, the development and extension of skill and knowledge, and which is also linked to promotion and career progression.

b) Both initial and continuing training can be offered mainly to meet the needs of the particular employer; or it can be designed so that skills and knowledge are suited to any similar workplace or organization. Vocational qualifications currently under development in the UK – the NRTC Retail Certificate is an example – are designed to enable employees to acquire qualifications as a result of training offered while they are in employment. An important issue for training offered to sales staff, therefore, is whether it leads to the Retail Certificate. If not, why are employers not using the NRTC scheme, and what, if anything, would persuade them to do so?

c) The question of access to training is crucial for part-timers because they constitute such a high proportion of basic grade employees. Moreover, provision of training is clearly linked to use of part-timers in supervisory and managerial positions. Since all employees have to work shifts when there are extended opening hours, the argument that part-timers are not always available during 'standard' working hours loses much of its force, both in connection with organization of training and for promotion. While some employers now accept these arguments in principle, what evidence is there of increased training and promotion for part-timers in practice?

d) Distance or open learning methods appear to have considerable potential for providing improved access to training for staff who are working shifts. Here it would be of value to establish what factors encourage employers to use such methods, what factors hinder, and whether there are aspects of distance learning design which make the difference between a system which is widely used and one which falls into disuse.

e) Within large companies training for management is usually better developed and available to more of the relevant employees than that for sales staff. Here it is important to establish whether training needs have been appropriately identified, whether the training offered meets those needs, and whether the working environment is organized in such a way that trainees can put into practice what they have learned.

f) Whatever type of training is available, there is always a risk that women and members of ethnic minorities will be excluded because of discrimination – conscious or otherwise – low expectations on the part of the individuals concerned, or difficulties of access because of the time and/or place at which training is offered. Lack of facilities for childcare may also be an impediment to women. To what extent are employers and their training departments aware of these issues, and taking steps to encourage and enable fair access for all?

g) All the above questions are ones on which trade unions or employees' representatives might be expected to enter into dialogue with employers, not only at national level through the NRTC, but also within the workplaces where training is delivered. Moreover, the employees' views on suitability of training, its effectiveness, and access to it, are needed by those who manage the provision of training if they are to do their jobs well. The issues here concern HRD and training personnel who plan training – what measures do they take to find out how employees' perceive their own training needs, and to evaluate the training which is provided? Equally they concern the unions – to what extent have they considered the same issues, and offered to provide relevant information and views to management? Where there is no form of employee representation, do employees express their real views and, if so, what conditions favour a genuine dialogue with the employer or training department?

h) To the extent that independents depend on very long opening hours for their survival they may not see a need to train their sales staff. Owners, however, will need to improve their business and organizational skills if they are to be successful in a very competitive environment. In parts of the independent sector which offer both specialized and personal service, training is likely to be necessary both for employers and employees, and there will be a premium on organizations and systems which can bring training to this group. Here it would be valuable

1.

to establish how trade associations successfully promote and provide access to training for small employers. Again distance learning is of particular interest.

PART 2:

8. Department Store

Grocery Retailer

Menswear Chain

Cooperative Society

Pharmacy

Health Food Shop

SECTION 8 – CASE STUDY OF UK DEPARTMENT STORE

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INTERVIEWEES

Training Manager

Branch Manager

Branch Personnel Officer

Branch Assistant Personnel Officer

Training Co-ordinator (Supervisor level)

Sales Assistants (full-time and part-time)

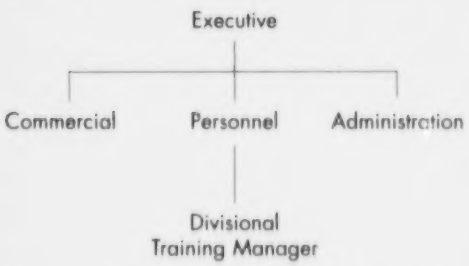
1. The Company

The company is a major publicly owned UK retail company, selling both food and non-food in department stores. It was founded over 100 years ago in L884.

It is an international company with some 291 stores in the UK and 685 worldwide. The geographical coverage spans North America (including 3 stores in Canada), the Far East and Europe with stores in Belgium, France, Ireland, Portugal, Spain and Holland.

Overall employment is 62,000 in the UK and the Republic of Ireland. Sales turnover in the UK in 1990 was £5 billion. The company accounts for 16 per cent of UK clothing sales and 5 per cent of food sales. It targets on the upper market segments, particularly in food. It estimates that is has some 14 million shoppers weekly and has 2.5 million own store charge card holders.

The company is organized on a regional basis, with 6 geographical divisions. Each of these has approximately 45 stores. Within each division there is a management structure as described below:



The major focus of their activities is the day-to-day running of the stores within its area.

The Head Office, based in London, employs about 5,500 staff. It has recently undergone an internal re-organization with 2 "streams": food and general. In terms of product changes, there has been a reduced emphasis on furniture, and home furnishing now tends to be mainly soft furnishings.

There are no employee social partners as trade unions are not recognized for collective bargaining.

The company concerns itself only with retail activities. Its distribution needs are met by separate companies, who own and maintain the depots.

2. Employment and Occupational Structure

The company has 7 categories of staff. These, and the proportions of each are given below.

Stores and Distribution Centres	
Management	2,130
Operations Staff	2,880
Store Admin. Management	3,440
Stock room/handlers and office staff	2,800
Catering/cleaning staff	2,950
Sales assistants and other general staff	30,370
Short hours staff	4,950
Total Permanent Staff	49,520
Temporary Seasonal Staff	12,260
Total Store Staff	61,780

Head Office	
Executives and divisional directors	110
Management	2,150
General Staff	2,035
Total Permanent Staff	4,295
Temporary Seasonal Staff	53
Total Head Office Staff	4,348

The company does not have a separate category for cashiers (included in sales assistants), stock-room workers, drivers or delivery staff. Warehouse workers are classified as operations assistants. The category of administrative staff covers such functions as the personnel function.

2.1 Age Group

The company has no particular initiative on an age basis. Because the company has very high staff stability the average age of staff in the stores is relatively high. Where staff turnover is higher (in the South-east) the age profile is lower.

Distribution of Staff by Age

	Management	General
Under 25	628	8,288
25–40	3,782	13,528
40+	2,170	21,954

2.2 Ethnic Minorities

Overall, in 1990, 5.3 per cent of the company's employees were from ethnic minorities, the same as in 1989. There is a higher proportion of ethnic minority employees in the lower grades of staff and in temporary rather than permanent staff. However, the proportion of ethnic minority staff in management and administrative grades, and at Head Office is increasing.

2.3 Gender

Of the 62,000 staff, 83 per cent are female. The proportions of women decline as the seniority of the post increases. Nevertheless, 63 per cent of store management positions are held by women, and 45 per cent of head office management positions. Of the very senior positions, 9 out of 80 executives and 2 out of 18 divisional directors are female.

This position of relatively high proportions of female managerial employment has not been reached by any special initiatives, but rather as the result of "evaluation".

2.4 Part-time Workers

Distribution of Part-Time and Full-Time Staff

	Full-time	Part-time
Management	6,005	575
General	11,058	32,712

About 66 per cent of staff are part-time and the remaining third full-time.

Full-time hours are:
- 41 hours/week for management
- 38 hours/week for staff

Part-time and full-time staff receive exactly the same terms and conditions. All staff are paid for a 40 hour week.
Over the last 5 years there has been an increase in the proportion of part-timers relative to full-timers, particularly in the out-of-term stores with extended trading time. More part-timers give greater flexibility.

2.5 Recent Changes

Total number of employees has been reduced slightly. There have been two counterbalancing effects.
- introduction of new technology has led to a reduction in employment in existing stores;
- opening of new stores, with subsequent increases in employment.

The company is reducing the numbers of "warehouse and backstage" staff, and increasing the number of sales staff in order to produce a better customer service.

3. Terms and Conditions

3.1 Hours

The full-time staff work a 38 hour week. The store opening hours vary according to location:

Town centre	9–5.30	Monday–Thursday
	9–6.00	Friday, Saturday
Out of town	9–8.00	(not every day)

Sunday trading has been examined and a decision has been taken that it is not in the company's interest. However, Scottish stores (where the law is different) have been opening on Sundays for 4–5 weeks before Christmas for the last 3–4 years.

3.2 Holidays

Staff receive:
- 4 weeks and 3 days if they have less than 5 years service;
- 5 weeks for between 5 and 10 years service;
- 5 weeks and 3 days for over 10 years service;

Leave is "earned" in the first year, so in the first year of employment staff take unpaid leave. When staff leave, they receive payment for "earned bit takers" leave.

3.3 Salaries

Sales staff receive between £139.50 per week in the provinces and £173.00 in Inner London. A sliding scale operates according to location. Staff receive an extra £4.00 per week after their first year of service. In addition, staff benefit from a Christmas bonus equivalent to 4 weeks salary, which is available after 1 year's service.

There are a number of non-salary benefits, including:
- profit share;
- share options;
- non-contributory company pension;
- life assurance;
- staff discounts of 20 per cent on up to £1,000 of purchase;
- subsidised staff canteens.

4. Recruitment

All store staff for existing stores are recruited on a local basis. When a new store opens recruitment is handled by the local Job Centre (if one exists).

Levels of vacancies are very low. If a vacancy does arise, then it tends to be filled by one of the seasonal or part-time workers.

The only slight problem area for staff is supervisory grades in Inner London. This has existed for about 5 years; the recession has made this situation slightly easier. A company response to this has been to re-locate supervisors from Northern Ireland and the North to London: this policy is successful for the individuals taking part, but the numbers are very small.

The company has introduced an initiative to encourage links between individual store personnel managers and local schools. These coordinate work experience attachments (e.g. Project Trident) and Careers fares. There are other educational initiatives to encourage school leavers to look at retail as a potential career: for example, the company has developed a pack for teachers as part of the national curriculum.

5. Training: Overview

5.1 Size of Training Budget

The company has a direct budget for training of £4.5 million, but total costs, including indirect costs total £23 million. This is equal to 4.3% of the total wage bill. The company does not conduct a formal Cost Benefit Analysis on all its training expenditure, except on specific elements such as CBT.

5.2 Initial Training

Young people take part in Youth Training, but the numbers are very limited: about 40 this year and about 100 in the year before. Involvement in Youth Training is coordinated from the Head Office: contact is made with individual stores, requirements are forecast and contact is made with the appropriate TEC areas.

Youth Training is the only route into the company for school leavers.

Other entrants undergo a Basic Training Programme, a 3 1/2 day Induction programme, which includes:

- Introduction to company;
- Quality service;
- Methods of payment/till processes;
- Theft and loss;
- Merchandise handling (stock control, etc.);
- Health and safety;
- Fire hazards/exits etc.;
- Review – to ensure understanding.

All training is done on a modular basis. The Head Office (Training Recruitment) provides all the documentation – training guides etc. – which is sent out to the units to implement.

5.3 Continuing Training

Training is on-going as and when necessary.

Identification of training needs is done mainly by local training coordinators and by the Head Office Training Managers.

- The local training coordinator will identify local training needs, (e.g. if specified individuals are under-skilled etc.).

- The Centre identifies training needs arising out of business policy and communicates this to the Training Coordinator.

  The Training Coordinator then produces a training schedule for (in descending order) each store, each category of staff and each individual.

  The training material consists of:

  - Modules
  - Distance learning (manuals and some videos) and general learning
  - Briefing booklets
  - Diary pages for time management
  - Courses, ranging from 1/2 day to off-the-cuff, although these are mostly for management

Computer-based training is a recent development, to be used for IT training (on new systems).

Some of this training could be classified as communication.

5.4 Store Trainee Managers

There are 3 entry points for trainee store managers:

- Young managers ('A' level entrants)
- graduates
- "Job changers"

The training programme is the responsibility of Divisional Training Management, and is based on placements of "Training Stores", i.e. stores that have a structure and organization that is suitable for training. The training has a main commercial element, followed by a specialization on a particular function.

There may be a reorganization of this on the basis of regionalization, whereby the Unit Manager has to do the management of training.

5.5 NVQs

The NRTC's Retail Certificate is available to all Youth Training trainees. For established staff the situation is rather less settled. The company is currently running a pilot for introducing their NVQs (Levels 1 and 2) for established staff.

There are a number of problems with NVQs.

- the TECs seem reluctant to deal with large national companies. This is seen to be changing;
- the TECs are inconsistent: recommendations for one TEC are not the same as for another. As the company divisions span several TEC areas, this causes problems;
- the Certificate is changing content, and moving to a content that the company believes is much less relevant, involving tasks away from the shop floor. The assessment is also more complex;
- the actual process of delivering the certificate – after someone has passed – is taking up to 3 months;
- cost is not seen as an issue: the main cost of assessment and supervisors time is covered by the fact that it is internal supervision and the cost is hidden;
- the assessor training is very poor. As a response the company has commissioned its own training work book;
- some TECs discriminate between students by giving cash prizes.

Most training is done internally, by line management, using information provided by the Head Office Training Recruitment. This is often done in the "½ hour before opening" on a Monday morning. External suppliers are used for some courses, but only for management training.

Every effort is made to build formal assessment into the process. This is fairly easy for open learning and CBT, where formal assessment is made part of the process. The less tangible training is more difficult. In training there is a process – before training takes place a briefing is given and objectives outlined. After the training, an action plan is completed and describes how the training is to take place. This process is not working as smoothly as it was hoped.

When a new training event is being designed it is run on an experimental basis in one store only, and the effect measured. The training is piloted and the impact on sales measured.

Another method of piloting is when a new training booklet is produced, i.e. is tested in a store and feedback given with the author present at all stages.

In some instances measurement is relatively easy. For example, a new training programme on "filling up on food" allows standards to be set on a quantitative basis – and before and after comparisons can be made.

There are no special training initiatives for females or ethnic minorities. Everyone is treated on an equal footing.

5.6 Changes That Will Impact On Training

Compliance with the introduction of the NRTC Retail Certificate has produced a need for flexibility. At the moment the company feels it is "hanging on in there". However, they are trialling it for experienced staff: if successful they will expand it.

They are trying to develop procedures which will allow them to recognize training received prior to joining the organization by some kind of accreditation.

The introduction of information technology is increasing the effects felt, mainly in 3 areas:

- Point of Sale
- Distribution
- Manpower Planning

This does cause some problem with training as it requires constant updates in the training material. The emphasis now for management is to use the information that the systems can provide: a move from "how do I use the system?" to "what benefits will the system bring?". Training will have a large part to play in this.

The central training department has recently been restructured so that there is a division by type of training.

- Job skills
- Personal development (e.g. management development)

This has the dual advantages of:

- Avoiding duplication
- Creating centres of expertise

The emphasis now is on the development of the "whole person". Line managers will have their own personal development plans, and part of this is a responsibility to cascade development and training throughout the organization.

The responsibility for learning is placed on the individual: individuals must take advantage of all the factors and materials available.

6. Visit to a Store

6.1 Nature of Branch and Staffing

The store is in the high street of a town on the south coast of the UK. It has a sales area of 41,000 square feet, which makes it larger than the majority of similar high street stores.

The store employs 180 staff, 60 per cent part-time and 40 per cent full-time. Labour turnover is exceptionally low at around 2 per cent per annum, particularly considering that the store is in the South-East. The management actually believe that a higher level of turnover may be slightly beneficial. To recruit, the store advertises on the shopfloor (amongst the existing work-force) and in the local Job Centre. The store also has a substantial list of individuals who have applied previously.

The store could not be said to be typical. Over the last few months it has had a focus on providing additional training for staff aimed at improving customer service. The Company ethos is that good quality service equates to having quality staff; following this, training increases in importance.

The manager of the Branch is also noted for his commendable commitment to training. He firmly believes that management should have a demonstrated commitment to training. This commitment is noted by staff, who are encouraged to take training seriously.

6.2 Training

Store-wide Training

The Branch had launched a store-wide training initiative on customer service. This included 2 main elements:

- a one day course on 'feeling special', delivered in groups of 5–6 staff explaining how staff felt about customers and shopping;
- an open learning workbook on 'quality service', which takes about 1–1 1/2hours but is also used on an on-going basis.

In addition, the store has developed a monthly training theme, which is aimed at increasing product knowledge and service skills of all staff. Recent themes have been:

- **January** – food products: a series of posters about '60 fascinating food facts', an internal food tasting session plus talks given on food by suppliers;
- **February** – 'Money' including a seminar on the Company pension scheme, theft and loss etc.;
- **March** – 'Textiles', including an internal fashion display.

Future planned events are in place for the next 3 months.

A few points are worth noting on these training events:

- They are facilitated by an increase in time spent on training. The normal training period of 9–9.30 each week on a Tuesday morning was extended to 9–9.30 Monday to Wednesday for a week in each month, plus each Tuesday. The store is closed for these training periods;
- The training is not output or department specific: e.g., staff in textiles are informed about products in foods;
- the training is all internalized – staff talk about their own areas to other staff. Ownership of skills and expertise is therefore best within the store;
- The training is transferred into a social event, and is fun. The staff look forward to it as much for this socialization as for the learning benefits.

A problem is encountered on access to training for part-time staff. If they do not work on the mornings that training events take place they can miss out on training. 60 per cent of staff are covered by the morning sessions.

The training events are regarded as being a great success. It is now being copied in other stores in the region.

The branch has a Training Co-ordinator, who is at Supervisor level a member of staff. Each store has its own Training Co-ordinator, but the Co-ordinator in the store visited is also the Co-ordinator for the region (some 9 stores over a wide geographical area).

The Co-ordinator describes her own role as:

- deciding the training programme in conjunction with the store manager;
- locating a 'resource' to conduct the training, usually a deputy manager or manager within the region. The Co-ordinator will take training sessions herself when necessary.

6.3 Initial Training

The average length of time spent on initial training is 1 1/2 days, although there is an attempt being made to try and increase this to 3 1/2 days. Commercially there is pressure to shorten this period: there is a desire to get new joiners to be as productive within as short a time as possible.

The branch does not use all of the material sent out by Head Office; it is able to pick and choose. It is trying to accentuate the positive, customer service elements, whilst still retaining some of the more negative elements (thefts and loss etc.).

Part-time staff have to have their training adapted to fit the hours that they work. Attempts are made to make training flexible. Where necessary one-to-one coaching is given.

6.4 Continuing Training

Continuing training is provided as and when necessary for individual jobs, usually as a response to product changes or changes in processing requirements.

Additional training has been facilitated by an additional member of staff at the store. Each staff member has completed a self-assessment of training needs, based on when they were last trained, what the training consisted of and whether there are any perceived skill shortages. Training is then given on a one-to-one basis.

The store has begun a trial for **NVQs.** Two members of staff are registered for the certificate. Both of these are enjoying the process, although find it a little basic. Management are awaiting the outcome of this trial before extending it on a wider basis.

6.5 Constraints on Training

The major constraint on training is commercial pressure. There is a constant demand for the sales assistants to be on the shop-floor in a productive position. This constraint is lessened by the half hour taken off each Tuesday morning, when the store is closed to the public. It is also dependent on the attitude of the management. The current management team have given training a high profile, managers do not interfere in organized training events (by trying to keep staff 'at work'), and all staff are sent on training.

6.6 Measuring the Effectiveness of Training

Training sessions are not formally evaluated. However, subjective/qualitative measures are used on a regular basis. Staff are observed frequently by supervisors and the store has a culture whereby comments on performance are passed on and accepted in a (reasonably) positive way. If a member of staff is seen to behave in an 'incorrect' manner then they are asked if they know the correct manner and, if not, remedial training given. Conversely, when staff behave in a 'correct' manner managers and supervisors readily praise performance.

7. Evaluation

The Company has a deep commitment to all its staff. The high level of training seen in the Company is evidence to this commitment. However, actual delivery of training at store level is dependent upon the store manager's attitude. The store visited had an excellent training profile with training given a high priority.

The training is highly structured from head office, but is sufficiently flexible for individual stores to select those elements of the training programme that it feels are most suitable.

The breadth of training across staff groups is fairly comprehensive, but there are some part-time staff who may slip through the net.

The attitude to training was over-whelmingly positive. The training was of an inter-active, involving nature, with ownership in the hands of the staff themselves. Accordingly commitment to it from staff was high. Above all, staff regarded the training programmes as being 'fun'. This mode of training is an excellent example of how training can be used to build staff morale and team-work.

The Company is receiving great benefit from the virtuous circle that it has created. It is in the top market segments in terms of products and resources. As such it attracts high quality staff with very low turnover rates. It can thus afford to invest in training as wastage costs are so low. This then builds into higher levels of customer service.

CASE STUDY OF UK GROCERY RETAILER

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UK GROCERY RETAILER

INTERVIEWEES

Training Manager

Training Projects Manager

Branch Manager

Branch Personnel Officer

Union Representatives (Shop Workers)

Dedicated Trainers (Supervisor Level)

Sales Assistants

1. The Company

1.1 Nature of Company and History

The company is a national, multiple grocery retailer. The majority of sales are food, but about 15 per cent is non-food. The company has 207 stores across the UK, with a sales turnover of £425.6 million. The parent group also controls furniture stores and a property development group, but this report focuses only on the grocery retailer.

The company was initially an association of farm stores. Its first store was opened in 1965, since when growth has been dramatic. Recent growth in the number of stores, sales area and sales is shown below:

Table 1: Stores and Sales Levels, 1987–91

	1987	1988	1989	1990	1991
Number of Sto	111	120	129	199	204
Total Sales Area ('000 sq. ft.)	3892	4431	4975	7795	8160
Average Sales Area per store ('000 sq. ft.)	35.1	36.9	38.6	39.1	40.0
Sales to customers (£m)	2156	2436	2694	3526	4425
Sales per store (£m)	19.4	20.3	20.9	17.7	21.7

As can be seen from the above, the trend is towards an increased number of stores, which are larger and with higher average sales per store. The slight dip in sales per store seen in 1990 was the result of the UK recession and temporary teething problems following the acquisition of a number of stores from a rival retailing chain (see below for further discussion).

Growth is expected to slow down. Over the last 5 years there have been additional stores opening at the rate of 8–10 per year; this is intended to reduce to 2–3 new stores per year for the foreseeable future.

1.2 Marketing Strategy

The company sees itself in direct competition with the other major UK national retailing chains. Food retailing in the UK is highly competitive and this competition produces standards of efficiency, productivity, product development and innovation which leads the world. The company sees itself as being in the forefront of this competitive market.

The individual store marketing strategy depends on the location of the individual store, being geographically focussed rather than socio-economic focussed. Overall they are seeking to attract the 'efficient single store shopper'.

The company has recently entered into a partnership with a high quality clothing and footwear supplier with the goods being sold in an increasing number of stores. This is seen as a great success. Yearly growth of sales in clothing and footwear has been increasing by 30 per cent and is by far exceeding market performance. The company sees it as advantageous to facilitate customers' purchasing of essential clothing items: it is now, for example, the second largest retailer of ladies' hosiery in the UK.

1.3 Recent Major Company Changes

There have been two major changes in the company's activities:

- the purchase of 60 stores from a rival retailing group;
- the move to a central distribution system.

1.3.1 The purchase of 60 stores

The company purchased 60 stores in 1990 and a good deal of effort has been expended on integrating these stores into the company. The process of 'customizing' was taken in four stages: changing the signs and external facade, the systems, the terms and conditions and finally the training.

The new stores originally ran as a separate division within the company, but are now absorbed and fully integrated. The entire process took about 12 months and overall disruption was thought to have been minimal.

1.3.2 Move to Central Distribution

The company recently moved to a central distribution system, away from a system where each store managed its own inventory. The new system, based on 8 Distribution Centres (DCs), throughout the UK is a total corporate system. Currently 75 per cent of goods are transmitted via the DCs and this is increasing.

This move has been facilitated by the introduction of EPOS checkouts and back-up computer systems. Retail sales information is available on line to management. This has changed the nature of store manager's jobs, freeing them from the need to manage a large and complex regime of direct deliveries from suppliers and allowing more time to be directed towards customer service.

All the DCs are owned by the company, but only two are actually run by the company. The remaining six are managed by third-party contractors, but who also use the company's systems and policies, etc.

1.4 Role of the Trade Union

The company has a full agreement with the Trade Union, the GMB. This is the only recognized union. The agreement covers all terms and conditions.

There is a considerable amount of dialogue that takes place at regional and local level. New employees of the company are strongly recommended to join the union.

Discussions on training between the employer and union usually are at the level of principle and not detail.

2. Employment and Occupational Structure

The company employs a total of 65,000 employees. This number has increased in the last two years with the store acquisitions. Discounting this extension the actual staffing level has fallen from a level of about 70,000. This is primarily due to losing a large number of **very** part-time jobs.

An overall structure of employment by occupation was not available. However there have been some changes in job emphasis, for example on-line management information and central stock control has increased the emphasis on customer service within the management's role.

There have been no major changes in employee categorization, but there has been a change in the jobs that people do, usually related to some technological change, for example:

- shopfloor assistants no longer price the majority goods in stores which have EPOS technology;
- there has been an increase in sales of fresh fruit and vegetables.

2.1 Age

The age breakdown of employment in the company is as follows: (Table 3)

There is a regional bias to the age structure. Staff in the South-East tend to be younger because of higher staff turnover. However, the company has no formal policy regarding age, and employment is on the basis of 'fitness for purpose'.

The management team tends to be slightly younger than the rest of the store staff.

2.2 Gender

70 per cent of staff are female. There has been no major shift in this in recent years.

2.3 Ethnicity

Nationally 6 per cent of staff are from ethnic minorities. Again, there is a regional bias to this, with higher proportions in the South-East. There has been no major shift in recent years.

2.4 Part-time Workers

A full-time week is 38 hours; anything less than 38 hours counts as part-time. Overall, 70 per cent of staff are part-time. The majority work between 16 and 30 hours, although a substantial minority work Saturdays and Sundays only.

The company has a very complicated computer-generated, rota-system, which includes the use of twilight shifts. This very precisely plans when staff are needed. The **actual** staff rota is a compromise between this computer-generated optimum and

Table 3: Age by Region

Region	Age							
	16-19	20-24	25-34	35-44	45-54	55-64	65+	Total N
North (%)	14.2	14.8	28.6	23.7	13.9	4.5	0.3	19,672
South East (%)	17.1	13.3	27.4	21.6	13.7	6.0	1.0	19,282
South West (%)	10.5	11.8	30.3	25.8	15.5	5.6	0.4	19,819
Total N	**8,177**	**7,810**	**16,919**	**13,939**	**8,457**	**3,137**	**335**	**58,773**
(%)	**13.9**	**13.3**	**28.8**	**23.7**	**14.4**	**5.3**	**0.6**	**(100)**

the availability of staff. Each store computes its own rota.

Nearly all management are full-time staff.

2.5 Seasonal/Temporary Workers

The number of seasonal workers varies by store; some stores are well known as 'seasonal stores', because of their location. Temporary workers are taken on to cover periods such as Christmas etc., but this work is always offered to part-time workers first.

3. Terms and Conditions

A 'full' working week is 38 hours, although an 'average' week is less due to the high number of part-timers.

Some 113 of the stores open on Sundays. Policy on Sunday trading is in a state of flux, with the company still assessing customer wants and needs. Takings on Sundays vary, but can be equal to that from a normal weekday. However, the balance of goods sold is considerably different, tending towards a higher proportion of non-food goods.

The opportunity to work on Sundays was offered to current staff, and it was very popular in the pre-Christmas period. Since then there has been an increase in employment of Sunday-only staff. Staff receive between 21 and 25 days holiday per year, depending on the length of service and grade. (Table 4)

Staff receive between £123.76 and £147.64 per week, plus a London supplement if appropriate. This equates to £3.20 to £3.90, compared to the Wages Council level of £2.995 in April 1991. There are a wide range of benefits available to staff, including:

- sick pay;
- staff discount (available after 9 months) of 10 per cent off any purchases up to a value of £2,600;
- contributory pension scheme;
- share participation scheme;
- hospital funds;
- maternity leave in excess of the statutory level after 12 months service;
- 2 days paternity leave.

All these are received by both full and part-time staff, on a pro-rata basis where appropriate. All these terms and conditions are negotiated with the Union.

4. Recruitment

All recruitment is conducted at store level. The store use a variety of means:

- Job centres;
- references from current employees. The company previously had a 'refer a friend' scheme, whereby employees received a bonus if an individual that they referred became an employee;
- local advertising for specialist skills.

All vacancies are offered internally first and there is an internal labour market. For example, staff on evening and Saturday shift may move on to day shifts.

There are no current recruitment problems. A bigger problem is that of labour turnover. The company feels that the workforce that they attract and are selecting from, is not committed to the labour force, particularly in the South-East. There are considerable variations in turnover by region, with most of the variations dependent on external factors. Overall, average turnover is currently 35 per cent, having decreased from over 50 per cent before the current UK recession.

There are no plans to change recruitment policy or strategies.

5. Training

The company has a statement of training policy, which is on display in all stores. This is shown below: (Figure 1)

The overall training budget (direct costs only) is £1 million per year, although it was not possible to express this as a proportion of overall salary costs.

5.1 Induction Training

Induction Training is common for all newcomers to the company. It consists of the following elements:

- Introduction to ASDA Stores (including history of the company and terms and conditions of employment);
- Health and Safety;
- Customer service;
- Security;
- Hygiene;
- Communications and Benefits.

Table 4: Length of Service

	Up to 3 years	3-5 years	Over 5 years
Hourly-paid Staff	21	22	23
Management	24	25	25

Figure 1

Statement of Training Policy

The Group Personnel Controller is responsible for advertising and carrying out Group Training Policy. The Policy will be implemented through Divisional Personnel and Training Executives.

1. All newcomers to the Company will receive off-the-job induction training, conducted by a qualified instructor.

2. Induction training will be followed by a probationary period under the supervision of a qualified instructor until the newcomer reaches the Company standard of job performance.

3. Appropriate training will be given to staff before or immediately following promotion or transfer.

4. The Company will operate a performance appraisal system appropriate to the needs of the company, with the opportunity for individuals to discuss their performance appraisal.

5. Staff responsible for carrying out instruction will be qualified by experience or have undertaken a course in the techniques of instruction.

6. Full-time employees under the age of 18 will be entitled to take leave from work to undertake courses relevant to their careers and they will be encouraged to attend such courses where they are available.

   Confirmation must be obtained from management that the course is relevant to the development of the individual's career.

In addition newcomers receive necessary individual store information.

The induction lasts between 3 1/2 – 8 hours. It is broken down into individual modules for each of the elements above, is workbook-driven, with the aid of an accompanying video programme.

5.2 Job Training

Job training is conducted mainly on the job by supervisors, some of whom have special responsibilities for training. These are called 'Dedicated Trainers'. Training takes about 16 weeks, again mainly workbook-driven, supported by video programmes. If individuals move jobs then they are re-trained.

The training modules are developed centrally by the Head Office. Modules are created by a Design Group, comprised of experts and field staff. They are written, reviewed, pilotted, reviewed again and finally launched. The modules are always tested on a range of stores before they are launched nationally.

The Design Group will use whatever training methods are appropriate for the needs of the job. The Head Office is continually developing such modules.

It may have up to 50 such projects in various stages of development at any one time. There is a 'Job Guide' for every job and there are over 50 'defined jobs' within the Company. In total, there are over 100 pieces of training/learning modules or information available.

There are two rates of pay for individuals; 'starter' and 'established'. All newcomers to the Company receive starter rates for the first 12 weeks, at which point they pass on to established rates. This is a time-based system; there are no measured performance or competence tests for this transition. This time may extend for part-timers, as they are given additional time to make the transition to allow for the shorter time that part-timers actually work.

All the work-based modules have validation exercises, which test knowledge and competence.

5.3 Management Training

Entrants to the previous version of the company's management trainee scheme included graduates, but degree status was not essential. The company believes that training of this nature should be open to all. To emphasise this, the name of the training scheme was changed from 'Graduate Training Scheme' to 'Management Training Scheme'. It was run on a modular format with emphasis on workplace experience, supported by off-job modules and outdoor development programmes. However, the last store intake was in 1990 and last Head Office intake in 1991. There are no plans to run this scheme in future.

There is now a Retail Training Programme which is designed specifically for retail trainees from any background. Entrants can be promoted from within, recruits from other employers or direct entrants from education. This is a modular, self-study programme and on completion will be assessed via written tests.

Overall the training programme is:

- **flexible,** so that it fits with individual timetable and is based on self-teaching;
- **transferable,** as it links in with external courses and accrediting bodies, such as the Royal Institute of Public Health and Hygiene.

5.4 Role of Trade Union

The role of the trade unions in delivering training is fairly minimal. At the national level, the unions express an opinion in the Joint Council, but this is on the general content and not regarding details. At the local level unions can be more individual, and this is where the main discussions should take place.

There is no disagreement from either party on this issue. The union is generally supportive on any initiatives on training, in the belief that any training must be beneficial.

5.5 Special Access to Training

The Company has taken action to increase the flexibility of its training delivery to take account of the fact that the vast majority of its staff are part-time workers on varied shift patterns. The ethos is that as these individuals would find it difficult to get access to training, because of the hours that they work, the training should 'go to them'.

All the training is based on flexible learning modules so that it can be varied according to needs. In addition, the Dedicated Trainers, are appointed on the basis that they are willing to work varied shift patterns in order that they can be available to all workers on the different shifts.

5.6 Identifying Training Needs

Training needs are identified both from 'top-down' and 'bottom-up'.

5.6.1 Top-Down

The Company has a constant stream of new initiatives relating to changing business policy.

As soon as these are announced the training implications are considered and suitable action taken. This is a semi-formalized process, and the final analysis rests on good communication links between the training departments and the business development units.

The Training Department produces a training plan for the forthcoming year. As part of this process it discusses this with all the business units. This aids the communication process.

5.6.2 Bottom-Up

Store managers are encouraged to raise issues and then to deal with them personally. If an issue is raised by sufficient numbers of managers then Head Office will act and design training to deal with it.

5.7 Use of External Providers

External training providers are very rarely used. Most occasions are for one-off events, such as team-building in a new store. Occasionally consultants are used to design and pilot new training modules.

5.8 Measuring Training Effectiveness

Training is validated as it happens. The Company finds that many things are measurable in a quantitative way, but that others are not. As part of the evaluation process the Company has:

- external customer surveys, which indicate where company policy is successful and where not;
- company-wide ratings.

In addition, most of these are internal, informal schemes whereby staff are free to express opinions of training.

There is some CBA, though it tends to be undertaken of individual elements rather than of the training budget as a whole.

5.8.1 Internal Promotions

There is an active internal labour market operating within the company. This can operate by two methods:

- Staff Development Scheme;
- Internal Job Finders.

The qualifying criteria for the **Staff Development Scheme** (SDS) is 6 months service. Staff must complete an internal application form and undertake interviews with the Store Manager and Store and Regional Personnel Managers. The SDS is a formal scheme, normally of 12 months' duration, which is end-tested, on successful completion of which the individual can become a department manager. At this stage, however, the individual must wait for a post to arise.

5.8.2 The Internal Job Finder

The Internal Job Finder is based on the regional and store succession plans. It helps identifying the 'slots' and individuals who can move up from hourly-paid status. The normal route is to go from being a Shop Floor Assistant to Supervisor to Manager, although an individual on SDS can go from Assistant to Manager without being a Supervisor. For individuals without managerial ambition, training is available to take them to supervisor level. Succession planning is simple, but very robust.

2.

6. Training Innovations

The Company, being active in the training field, is involved in a number of innovations. These include:

- the introduction of NVQs;
- involvement with the Management Charter Initiative;
- involvement with the FORCE programme.

In addition, the Company was awarded a UK National Training Award for its work using inter-active video.

6.1 NVQs

The Company has been involved with the development of NVQs since 1987 when NVQs were piloted in 4–5 stores. Since then NVQs have been introduced into about 20 stores, all in the North.

NVQs are open to all staff (who have been with the Company for more than 3 months). It is purely voluntary. Individual stores limit the number of individuals they can take onto the NVQ register, which is determined by the number of Assessors within each store. There are about 500 staff currently registered, and a waiting list exists for people waiting to gain the qualifications.

NVQs are currently available at levels 1 and 2. The company has just registered for levels 3 and 4, with support from the local Training and Enterprise Council.

The Company sees NVQs as bringing many benefits. On the 'tangible' side, stores which are involved with NVQs have lower labour turnover, lower absenteeism and higher productivity. In terms of intangible benefits the company believe that staff registered for NVQs are more committed and loyal, that these individuals have a perceived higher status and that NVQs allow more variety for individuals, with more choice and more scope for job switching. Stores which have NVQs develop a 'buzz'. Store managers with NVQs operating within their Branch will not pull out of the initiative. The attainment of a formal qualification is seen as being very important. It gives accreditation and status.

However, there are problems with the NVQs which has led the Company to take a step back from a wider introduction. These can be summarized as being:

- **inflexibility** of the NVQ and awarding bodies;
- **relevance** for food retailers. At the outset the NVQs were led by food retailers. As the NVQ has become more generic to all retailing they have become less specific and useful for the company's purposes;
- **expensive.** Registration costs £23.15 and certification a further £8.00. With over 57,000 shopfloor staff, this is an expensive process and one which takes money out of the training system. Assessor costs are high, but internalized and so are less apparent.

The Company are now considering how to advance their involvement in NVQs. One option is to take the principles of NVQs and customize them to make these company-based competencies.

6.2 Management Charter Initiative

The Company has a limited involvement with the MCI at the moment, although it is a licensed delivery centre. At the moment 3 senior managers in stores are undertaking MCI level 2 and 10 trainees are undertaking MCI level 1. In addition some of the MCI modules are used in the Distribution Centres.

The Company's attitude is one of experimentation. They are willing to take the elements that they want and are waiting to see the relevance and robustness of future developments.

6.3 FORCE Programme

As part of the FORCE programme the company has begun a programme to improve the supply chain of fresh produce. French and Spanish suppliers of fresh produce have visited the Company to look at the ways of working, involving the training elements. These will then return to improve their own competitiveness.

6.4 National Training Award

The Company was awarded a National Training Award for its use of inter-active video teaching methods relating to the introduction of EPOS.

48 stores were being introduced to EPOS, which was effectively to be switched on overnight. The training issue that this raised was how to train 120–150 operators in each store so that they would be able to cope with this change.

The Company used 2 methods: a conventional training programme and a self-delivery method. Both worked well, but the self-delivery method was found to be more flexible. This consisted of a series of workbooks and inter-active videos which showed actual elements of work skills.

The programme was rolled out over a period of time. Each store was given a period when it had to complete its training by, and each store then scheduled its own training delivery.

The transition to EPOS ran very smoothly, with no apparent problems for the customers.

7. Visit to a Store

7.1 Nature of the Branch

The store visited was on the outskirts of a large town in the South-East. There is nothing which makes the store particularly outstanding in profile.

The majority of the customers are locally based, although some do come from further afield. The store runs a free bus service to local communities.

The store management is relatively autonomous, but complies with Head Office performance and training standards. These standards are regarded as being guidelines for interpretation at the local level.

The town has another company store, which was one of the stores purchased from the rival retailer. The manager does not believe that this has made any substantial difference to the performance of his own branch.

The store has had a new manager in post for 6 months. He has a very positive attitude to training and has, effectively, changed the delivery of training within the store.

7.2 Staffing Levels

The store has 380 hourly paid workers and 24 managers. Between 70–80 per cent of the hourly-paid workers are part-timers.

Proportions of ethnic minority workers are in line with local demographic trend.

The store does suffer from high labour turnover levels, although it is not as bad as other stores in the South-East. Turnover is less marked in supervisor and managerial grades.

7.3 Training

The induction and initial job training are conducted by Dedicated Trainers. Each trainer is responsible for training within a department: checkouts, sales floor etc.

The induction is classroom-based and lasts 3 1/2 hours. The new induction training is workbook-based, but the view is that just giving trainees the books will not be sufficient. A greater level of management of training provision is needed in order to make sure that the training is delivered.

The job training, again conducted by the Dedicated Trainers, is based on the work modules. However, a key element in making this work is the frequent supervision by the Trainers, who can identify individuals' weaknesses and therefore minimize failure.

Under the new manager, everyone receives the training without exception. This was not the case under the previous management where training was of a low priority. The ensuing culture change, which is of quite a dramatic nature, has caused a slight divide in staff; those who have joined since the new management took over have had training, those before had not. This has had positive gains; productivity has increased noticeably. The biggest change in the individuals is how they undertake their jobs; a logical sequence of tasks rather than an inefficient process.

There is tension about taking individuals off the shopfloor to undertake training. The Dedicated Trainers are the staff who feel this tension most, and have to deal with it. They do have the opportunity of turning to senior management if necessary, but most believe that it is most productive if they can build a rapport with line managers and persuade them to release individuals by demonstration of net benefits.

A strength of the system is the role of the Dedicated Trainers, who can focus purely on the needs of the staff, mainly on a one-to-one basis for the actual trainee. Previously it was regarded to be very difficult to do a supervision job and be a trainer; the separation of roles means that individuals' training is not overlooked because of the demands of the business.

The training has to be modular and flexible to a relatively fine degree, because of the part-time nature of many employees. Training has to be taken to them, rather than vice versa. The flexibility of the Dedicated Trainers is of great importance here.

7.4 Trade Union View

Training is not really discussed with the shop stewards at the store. The shop stewards were relatively new to their positions, and this lack of communication on training may be a result of them still learning their role.

In other work aspects, the trade unions are frequently consulted. There is a monthly discussion on problems in the store. The management are keen to use the shop stewards as the main focus of communication, and new staff are actively encouraged to join. The store that was visited had a union membership rate of 93 per cent.

7.5 Employee Viewpoint

The employees were all in their initial job training period. With the exception of the induction training, most trainees expressed positive attitudes towards their training. However, they did feel that they were in a slight conflict situation whereby:

- line managers were unwilling to give them time to train;
- line managers were unwilling (or unable) to allow them to use the methods that they had used in training in reality.

Overall, the training was good, but delivering it on the shopfloor was causing problems, primarily because of time pressures and unrealistic expectations. The Dedicated Trainers were very supportive during this process, but the other supervisors were apathetic.

8. Evaluation

Training is directed from headquarters, with actual responsibility for delivery being the responsibility of branch managers. The branch managers are supported by their own personnel staff, but also by a range of highly developed training aids, including the use of inter-active video.

The training given is comprehensive, covering all levels of staff from newcomers through to management. The Company is very active in the training field as can be noted from the very positive attitudes to new developments such as competencies (both NVQs and MCI), involvement with the FORCE programme and the use of flexible learning methods.

There are two points of particular interest in the Company:

- the ways in which the Company has overcome the difficulties of training part-time staff by breaking down the training into the smallest possible elements. Where part-time staff are such a dominant part of the work force, taking the training to them, rather than vice versa is the most effective way to deliver training;
- the role of Dedicated Trainers allows a focus on training delivery which would not be seen by a manager or supervisor continuing in both line management and training roles.

The effectiveness of the whole approach, however, ultimately rests with the attitude, motivation and competencies of the branch management. As was well demonstrated by the store visit, a positive, motivated manager who believes in training can effect a dramatic outline change on the organization. The reverse can also, unfortunately, apply.

CASE STUDY OF UK MENSWEAR CHAIN

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UK MENSWEAR CHAIN

INTERVIEWEES:

Human Resources Director

Senior Regional Personnel and Training Manager

Branch Manager

Trainee Manager

Part-Time Sales Assistant

Union Representative (a Branch Manager)

1. The Company

1.1 Nature of Company and History

The company is a menswear chain currently with 280 outlets throughout the UK. It is one of a number of subsidiaries, all in the clothing or footwear sector, owned by a UK public limited company whose turnover for all operations in 1990/91 was £2,029.6m. The parent company, whose activity is mainly in the UK but with some subsidiaries in other parts of Europe and the USA, was described by case study personnel as quite 'non-interfering'. It monitors performance mainly on a financial basis, operational decisions being left to the company itself.

Turnover in 1991 was £100m. plus, and at present there are 2,345 employees. Outlets range in size from the very small employing only 2 to 3 employees to those of 4/5,000 sq.ft. with 14 to 17 employees.

The original company was founded in 1876 and by the early 1900's had 80 shops. It was floated as a public company in 1961, and was acquired by the parent company in 1985.

1.2 Current Marketing Strategy

Until recently the company sold clothes for boys aged 8 and over, for young people, and for men of all ages. However, the menswear market has recently suffered a serious decline of 5 per cent, which began around March of 1990. In response the company is changing its market segment, and is in the process of directing sales to two age groups only in the lower middle end of the market: for boys aged 10 to 14 years; and for younger men in the 18 to 35 age group.

The boyswear segment is expected to account for 15 to 20 per cent of sales. The 18 to 35 year old market will be further divided: for 'fashion active' 18 to 25 year olds denims, streetwear, disco and pubwear; and for a somewhat older group higher quality and longer lasting garments, with an emphasis on value for money, designed to appeal to 'fashion moderate' males, that is ex 'fashion active' men who have got married.

Associated with this change of sales focus is a planned reduction in the number of outlets. Numbers have recently been reduced from 310 to 280, the ultimate aim being 265. The reduction is being brought about by closing down the smallest outlets.

Large scale changes are also being made in supply chain management. Whereas time between ordering and delivery of supplies previously was as much as 8 months, it is now down to 4/6 weeks. The company buys from all round the world. Orders are now smaller, and being placed only with manufacturers who are responsive to the new demand for rapid supply. Whereas 3 years ago approximately 85 per cent of orders came from the Far East, 60 per cent is now sourced from within the UK, with EC countries such as Portugal and Greece also becoming reliable suppliers. Some suppliers are able to respond within 6 to 8 days.

EPOS was introduced as from September 1989, and improvements are being seen in the information available to management. An IT merchandising system which will marry sales information with information relevant to buying is currently being installed. This is necessary to maximize the potential of information technology.

1.3 Role of Union

The company negotiates with USDAW (Union of Shop, Distributive and Allied Trades) on the retail side of operations. Approximately 700 employees (i.e. about one third) are members. The relationship with the union is perceived by the company as being very helpful for managing staff on many sites. The union can alert management at regional or headquarters level to problems in the branches which otherwise would take longer to filter through. Management always contact the union and ask for their involvement on personnel problems affecting an individual, e.g. redundancy or dismissal. Training has not featured as an issue in negotiations on pay and conditions, and the union has no formal role in its planning and implementation.

2. Occupational Structure and Numbers Employed

2.1 Company Structure

The company has three levels of organization: headquarters, regional and area offices, and retail branches.

The headquarters structure covers Central and Divisional Services. Departments under these headings are shown in Fig. 2.1.

There are three regions, each with its own regional manager and regional training and personnel manager, and in each region there are four areas. Each area manager is responsible for between 20 and 30 branches.

2.2 Numbers Employed By Division

Staff at the company are divided into four groups:

Branch Direct:
Managers, full-time and part-time sales staff

Branch Indirect:
Area/Regional Managers, Display/Promotions staff, Regional Managers, Secretaries

Central Services:
including Human Resources, Marketing and Finance

Figure 2.1

Divisional Services:
including Information Technology, Distribution and Maintenance

Total numbers employed are 2345. Of these, 'Branch Direct' staff make up 86 per cent (2012 employees), with 'Branch Indirect' representing 1 per cent (25 employees) of the total, 'Central Services' representing 5 per cent (118 employees) and 'Divisional Services' the remaining 8 per cent (190 employees).

Headquarters staff (Central and Divisional Services) include accountants, buyers, designers, merchandisers, technicians, systems analysts, security staff, and human resource professionals. With the exception of support and distribution staff they are mainly graduates or others with professional qualifications, for example from fashion and design colleges. It is rare by contrast to find a graduate in the branches.

2.3 Numbers Employed in Branches

Over the last four years the number of staff employed in branches has decreased by 25 per cent. There are two main reasons for this reduction. The total number of stores has decreased. Another reason is that the amount of stock held by the company has been greatly reduced as a result of new technology, enabling the company to identify the more profitable lines of clothing. Information technology also allows for work to be done more quickly and efficiently. Senior store management and administration controllers are two areas which have been affected as a result of these changes. (Table 2.1)

No information is available on age distribution within the company.

Numbers of part timers have increased in recent years. The company aim is to have part time and full time staff, including managers, employed in stores in the ratio 60/40. This will allow for most economical use of staff given that sales peak in the middle of the day and towards the end of the week. Currently 1419 part time staff are employed, compared to 304 full time staff. On the whole these part time staff are employed as sales persons, with a small number employed as secretaries, postal workers and in information technology.

Table 2.1 Numbers of Branch Direct Staff 1988–91

Year	Number of Staff	% Change
1988	2692	
1989	2278	–15
1990	2285	+0.3
1991	2012	–12

2.4 Male and Female Employment

The proportion of males and females has also changed recently. Now 44 per cent of employees are male and 56 per cent female. Five years ago the position was the reverse, and the generation before that 95 per cent of employees were male. Changing social attitudes mean it is no longer thought necessary to have only males serving male customers. The number of women employed at headquarters, for instance among buyers, is increasing. (Table 2.2)

Figures are not available to show the proportion of part-timers who are women. However, part-timers are concentrated among sales staff, who for the most part are female.

2.5 Employment of Ethnic Minorities

Within the total workforce 3.3. per cent are of non UK/European origin, and the majority of these

are Asian. Afro/Caribbeans are notably under-represented in the company. Most ethnic minorities are concentrated in branch sales and in the Distribution Centre, with relatively few making it as branch managers or into the clerical/managerial positions. The distribution of ethnic minorities is shown below. The company compares these figures with a national average of 4.7 per cent ethnic minorities within the population.

Table 2.2 Distribution of Women Throughout the Company

	Men	Women
Branch Staff	35%	65%
Branch Managers	83%	17%
Distribution Staff	68%	32%
Grade 7 (lower grade)	31%	69%
Grade 1-6 (higher grade)	78%	22%
Total Establishment	44%	56%

3. Conditions

3.1 Opening Hours

Normal shop opening hours are 9 a.m. to 5.30 p.m., though a few shops in out of town complexes may open later some evenings. Normal full-time working hours are based on a 39 hour week.

Parent company policy is officially against Sunday trading. It is recognized that Sunday opening may be advantageous for out of town outlets, but the view is taken that on the high street it simply spreads the same number of sales over more hours. A few stores opened on Sunday in the period before Christmas when adjacent competitors opened.

3.2 Rates of Pay

The wage agreement negotiated between the company and union in February 1991 provided an 8.5 per cent increase in all rates of pay and consolidated what had been a separate Saturday premium into basic pay. Overtime is paid at time and a half Monday to Saturday and at double rates for Sunday working.

Precise figures on wages and salaries are confidential. However, the company's monthly pay for a sales assistant aged 18 years or more appears to fall somewhere between average female earnings – £3.43 and average male earnings for the distributive trades – £3.916 per hour as of April 1991. (Department of Employment New Earnings Survey). The Wages Council minimum as from 1 April 1991 was £2.995.

As from August 1991 part-time rates have been made equivalent to full-time rates minus the Saturday premium, though part-timers working at least 16 hours including the whole of Saturday are paid the premium. The salaries of full-time and regular part-time sales assistants increase with service subject to satisfactory appraisal after 26 weeks' service. Casual, temporary and Saturday only staff are paid at the initial lowest rate.

Branch managers' pay is determined by the turnover of their branch plus years of service. It is somewhere between £8,000 and £20,000 p.a., with lowest rates for branches with turnover up to £77,000 p.a. and highest for branches with turnover in the region of £2m.

Table 2.3 Percentage Distribution of Ethnic Minorities

	Afro-Caribbean	Asian	Other	UK/European
Branch Staff	0.5	2.7	0.6	96.2
Branch Managers	0.7	1.0	0	98.3
Distribution Staff	0	2.2	1.1	96.7
Grade 7	0	0.8	0.8	98.4
Grade 1-6	0	0.8	0.8	98.4
Others	5.5	0	0	94.5
Total	**0.5**	**2.2**	**0.6**	**96.6**

3.3 Holidays and Expenses

Annual holidays for all grades of staff are 21 days in the first year of employment rising to 25 after two years' employment, and there are also 9 days 'customary', i.e. public holidays. Part-time holidays are in proportion to those for full-time staff according to the number of hours worked.

All staff attending training courses are eligible for subsistence and travelling expenses.

3.4 Gender Differences

The company has done its own analysis of the differences between men and women in the number of hours worked and pay: Table 4.1.

Table 3.1 Gender Difference in Company's Establishment, Hours worked and Pay

	Male	Female
Total Establishment	44%	56%
Branch Staff	35%	65%
Branch Managers	83%	17%
Distribution Staff	68%	32%
Basic Grade	31%	69%
Higher Grades	78%	22%
Average Weekly Hours	27	19
Average Annual Salary	£8,206	£4,179
Average Hourly Pay	£5.94	£4.17

They calculate that whereas men do 52 per cent of the work, they receive 61 per cent of the pay; women therefore do 48 per cent of the work for 39 per cent of the pay. For each hour that a woman works she receives on average 70 per cent of the salary a man earns.

These differences are explained by the fact that women occupy a disproportionate share of sales assistant posts and are under-represented at branch manager level.

4. Recruitment

4.1 Recruitment of Sales Assistants

Recruitment of sales assistants is the responsibility of branch managers, who have a variety of methods available to them. They can advertise in local Job centres (Government employment agencies), put cards advertising vacancies in their own shop windows and, if they wish, incur expense by advertising in the local press. (Costs are borne by the branch.) Anyone who enquires is given recruitment literature and an application form. This is an equal opportunities procedure intended to prevent sales staff making their own judgments at time of initial enquiry about whom to encourage.

Up to 1989 branch managers tended to interview applicants for only 3 or 4 minutes. Since then training in recruitment and selection methods has been introduced for managers, 85 per cent of whom have attended a two or three day course. This covers employment legislation and equal opportunities, guidance on administration and interpretation of verbal, numerical and personality tests, and training in interviewing techniques. Managers also have a recruitment manual to work from including all aspects of the recruitment and selection process.

4.2 Selection Criteria for Sales Assistants

The specifications in the recruitment manual for full-time staff, from whom in due course managers may be recruited, is that they should have a good appearance and retail experience.

Three or four years ago recruitment of full-timers focused mainly on Youth Trainees, i.e. 16 or 17 year olds, subsidised through the Government's Youth Training Scheme. Training for this group was structured to take a young person through to management. The target recruitment group is currently over 18 years of age, but there is a move towards increasing this to 25 years plus. Full-time recruits are seen as potential managers, and in this connection more value is now being placed on previous retail experience. Another factor is the likelihood that when the recession ends young people will be in short supply.

Part-time staff are not expected to have previous retail experience since they are not in general considered suitable candidates for promotion to manager. In 5 or 6 locations recruitment had recently been targeted at married women returning to the labour market; on the whole these were found to be a better quality of applicant than youngsters. When young people were offered part-time work they tended to leave very quickly.

Many sales staff are ex-customers. Few in the recruitment pool, whether for full or part-time work, have many qualifications.

4.3 Recruitment, Selection and Progression of Managers

Where possible the company recruits branch managers internally. Posts are advertised weekly in the company newsletter. Advertisements may also be placed in the local press. Interviews – 2 or

3 per applicant – are conducted by company area managers using an 'interview report form'.

A requirement of external applicants is that they should have previous retail experience, preferably in women's or men's wear, but applicants with experience in childrenswear or shoes are also considered. It is also a requirement to be full-time. A part-timer may sometimes acquire some management experience by acting as deputy on a full-time basis during a manager's absence. That person would have to be willing to be full time on a regular basis in order to be promoted. About 5 or 6 branch managers a year are promoted. A high proportion of better candidates recently have been women.

The starting point for most managers is usually a small branch, and progression thereafter is to a middle-sized and eventually a large branch. A recently introduced mdnagement training programme (see Section 7 below), however, is preparing individuals who are gaining experience of deputy manager work to be promoted at the end of training to take charge of larger stores.

4.4 Turnover

During the last economic upturn – 1988/89 – there was very high staff turnover in city centres and the south of the country, for instance 100 per cent, and even worse in city centres situated in the south. The position has improved considerably during the current recession. Average staff turnover in branches during the second half of 1991 was around 60 per cent. For managers it was much lower at around 15 per cent, and at its highest among part-timers: 70 per cent or above. These conditions are seen as providing an opportunity to be more selective in recruitment.

When or if recovery takes place the fall in unemployment will lag by about a year. So recruitment should not be difficult for the company at least for the next 12 to 18 months. The plan of recruiting from those 25 years or older, and avoiding the younger age range whose numbers may fall, is intended to help stabilize employment once recovery comes.

5. Training

5.1 Structure of Training and Personnel Department

The Training and Personnel Department is situated within the company headquarters Humun Resource Department and is headed by the Director of Human Resources. In addition there are six professional members of staff comprising a training manager, a training and personnel officer, payroll manager, and three regional training and personnel managers.

The role of the regional managers is critical in design and delivery of training within the company. Each regional manager spends a high proportion of her time visiting branches to assist with personnel and training functions on the spot. This enables her to keep closely in touch with training needs in the branches and provides opportunities to support branch managers in their training functions. The senior regional training and personnel manager who was interviewed, also contributes to the design of training packages at headquarters level, and herself delivers some of the training.

Another means of encouraging the training level is through the activities of one branch manager in each area who is designated training manager for his or her area. These individuals carry out induction training for new branch managers and support branch managers in all aspects of their training responsibilities.

5.2 Costs of Training

The training budget for the last financial year was £203,000. This covers the costs of providing training to be met by the training department, and does not take account of the cost of trainees' time because of their absence from work.

The wages bill was £14,100,000 m. Training costs on the basis just described thus account for 1.43 per cent of wages costs.

The company does not carry out any form of cost/benefit analysis of training provision.

5.3 Identification of Training Needs

Staff in the Training and Personnel Department plan content and availability of training on the basis of training needs analysis from three sources: information collected and summarized from the staff appraisal system held annually with all staff; reports from regional personnel and training managers about their observations and discussion with managers in the field; and by reference to changes in company business strategy which will require training for their implementation.

Sales staff first carry out a self-appraisal and are then interviewed by their manager; performance is considered under the headings of merchandising, customer service, security, administration, stockroom, and company policy and standards. There is also discussion of personal development and career development.

Branch managers' appraisal is carried out in discussion with area or regional managers. The managers themselves select their own key tasks which form the basis for discussion.

5.4 Training for Sales Staff

The induction programme for new staff is led by the branch manager. In the first week it concentrates on security and fire drills, in week two on

customer service and all aspects of shopfloor work, and in week three on till training. How thoroughly this is done depends very much on the attitude and motivation of the manager.

'Continuation training' is carried out for half an hour each week by the branch manager. If a directive has been received from headquarters about a change in company policy or marketing strategy, the half hour will be devoted to that. Alternatively the manager will choose a topic which he or she sees as most relevant to the branch and staff needs, and this can be chosen from a list of topics provided by headquarters. A recently revised list of Continuation Training Topics is provided in Appendix 1. The company is in the process of preparing a library of training manuals to be held in each branch which will help managers in this process. At present the manner of presentation is up to the individual manager.

A disadvantage with the half-hour weekly training is that it is missed by part-time staff not at work during the usual weekly session. Plans are underway to substitute this for a one hour session each month which will be held after working hours. It is hoped that all staff will be willing to attend this.

All sales staff should also have a Personal Development Record (PDR), which was first introduced ten years ago. It covers the tasks an employee is expected to learn during the first thirteen weeks of employment, and its satisfactory completion is intended to be a condition of being given permanent employment. Training staff consider that the PDR has largely fallen into disuse, and are at present in the course of revising it into a more comprehensive manual – to be called 'Managing Your Future' – with additional advanced modules and appendices.

They hope that the new version will motivate branch managers to provide the supervision required if sales staff are to use it effectively. They recognize that even so a minority of branch managers will not make the effort. One option is to relate managers' pay to use of the PDR, but headquarters staff do not feel ready to that as yet because they do not have the resources to monitor managers' interest in staff development accurately enough for the purpose.

Youth trainees (whose training is subsidized under the Government's Youth Training Scheme) at present are expected to work towards achieving Level 2 of the Retail Certificate,[1] an NVQ.

The company has been offered use of the scheme free in some branches as part of an initiative to promote it, and in those branches some sales staff, including part-timers, and deputy managers, are working towards the qualification on a voluntary basis. Training staff will be monitoring these developments, which have only just started. In principle they would like to introduce it more widely.

5.5 Training of Branch Managers

Induction training for branch managers who have been appointed from external candidates is supervised by the area manager with responsibility for training. He or she arranges for the new manager to gain experience over a period of four weeks in a number of branches, working alongside existing managers chosen for their strengths in particular areas. Once the manager is in his or her own branch the area manager continues as a sponsor and reference point for identifying further training needs. A review is carried out after the first three months, and thereafter there are annual reviews as for all staff.

A course presented in the form of three modules is open to branch managers with up to six months' experience and those likely to be promoted within the coming six months. It includes principles of retailing and marketing, management skills, aspects of finance and employment law.

All new managers receive training on EPOS on appointment. This consists of a week's training in a branch, followed by further training on the administrative aspects. There is a helpdesk at headquarters to which managers can refer for advice on use of EPOS. Mistakes made by managers in branches will usually show up centrally. Advice is then offered over the telephone or, if necessary, the branch manager will be invited into headquarters to be given further assistance.

5.6 Other Training for Managers

A variety of specialist courses are open to retail managers and those at headquarters. The individual manager can ask to be nominated for any of these, and must receive the support of his or her manager. Nominations normally are made in connection with the review process.

Topics for retail managers include Relief Management (2 days), Financial Awareness (1 day), training in assessment procedures for the Retail Certificate (2 days), training in training skills (2 days) and in recruitment techniques (3 days), as well as courses on particular types of merchandise, and on merchandising and buying (2 days).

5.7 Future Training Needs

Changes underway in ordering of stock and its presentation would require for their proper implementation additional training for all sales staff and managers.

[1] Further details in UK Retail National Report.

In accordance with the new policy of small and more frequent orders (NB Section 1) branches were beginning to hold less stock. In order to change it round quickly better distribution systems would be needed inside the store, and staff would need to be able to operate those systems efficiently.
On average menswear sales were half those of women's, because men tended to buy only one product at a time rather than an outfit. Now the policy was to present stock in a coordinated way so that matching or complementary items were presented alongside each other. This would involve new and complex shelving systems very different from the traditional use of racks. Staff would have to learn how to manage the new systems, and understand the principles of presenting stock in a coordinated manner so that 'colour blocking' was correctly achieved.

Market research had shown that customers noticed inconsistencies in the way stock was presented, including pricing inconsistencies. Again staff would need to develop greater awareness so that stock was presented consistently.

Training has not yet been amended to take account of these needs.

6. A Recent Innovation in Training

6.1 Rationale and Selection Process

At the end of 1990 the company carried out a manpower planning survey, from which it was calculated 25 to 30 fully-trained managers would be needed over the next two years. Some of the branches in question would be larger ones with annual turnover above £400,000.

It was in order to meet this need that a special programme was introduced for a selected number of trainee managers. At that time there were about 40 employees in branches with the status of management trainee, but those people were not receiving structured training. A review was carried out through their own managers to identify those with management potential. Some subsequently lost their trainee manager status, reverting instead to sales assistant. The remainder were invited to take part in an assessment centre. From this procedure 12 were selected and began their training in May 1991. A second group of 12 were selected and began training in October.

None of the trainees selected had children and thus there were no difficulties about their travelling to headquarters for the Modules.

6.2 Nature of Programme

The programme has been designed to take place over a period of 18 months, during which time five modules, each of two or three days' training, will be provided. At the end of each module each trainee draws up a plan to carry out a work-based project whose content will be relevant to the material covered during the module. It is intended that the project should be completed before the trainee attends the next training module.

The subject matter of the modules is shown in Appendix 2. Overall responsibility for design and presentation of courses is taken by the training department, and those contributing include the regional personnel and training managers who work in the field. Wherever possible company managers with relevant expertise and knowledge contribute to the training sessions. Module 3 on financial awareness, for instance, includes presentations from managers with responsibility for finance.

Training methods include use of a specialist workbook on finance and related video produced by an organization which specializes in distance learning materials for the retail sector. Modules on communication and management of people involve role play and simulations.

Trainees are required to present the findings from each project to their area manager. Projects undertaken so far in connection with Module 1 include, for example, development of the plan for opening a new branch and re-fitting of a shop.

6.3 Company Evaluation

At the end of each module trainees are asked to complete course evaluation questionnaires. Course content and presentation is subject to continuous review. Training managers are satisfied that trainees are identifying suitable projects in connection with each module, but they are concerned that projects are not being completed in accordance with the planned timetable. From February 1992 they are introducing a requirement for trainees to complete and present the project for the previous module before they attend the next.

7. Visit to a Branch

7.1 Nature of the Branch and Staffing

The branch which was visited was known to have a manager who was very interested in training, but otherwise had a representative pattern of training. In addition the deputy manager was taking part in the management trainee scheme described above.

The store is in a suburb of one of the major cities, and is thought to be typical of a provincial branch. Turnover is about £1.2m. per annum. It has 13 staff as follows:

- Branch manager – female
- Deputy manager (management trainee) – female
- 2 full-time sales assistants – one male, one female
- 6 part-time sales assistants – all female
- 3 Saturday staff – one male, two female

The number of female employees is above the company average. Two full-time staff who recently left were replaced by 4 part-timers, which was a company decision.

All store policy decisions are directed by the company except for floor layout which is at the discretion of the manager. It is the manager's responsibility to implement directives from the company, and to inform and/or train staff where necessary for the purpose. Launch of a new marketing strategy within the store, for instance, would involve the manager carrying out all aspects of planning, training staff to carry out physical changes in lay-out and stock arrangement, and training staff in product knowledge. She is responsible to the area manager for cost control, and is personally responsible for recruitment and selection. In cases of difficulty with staff, involving for instance the possibility of dismissal, she would consult her area manager directly. Policy on personnel and training is again directed by headquarters, and in these connections she may receive visits from her regional personnel and training manager.

7.2 Training

Induction training and continuation training are carried out by the manager. Since she arrived in the branch in November 1991 she has had to do a lot of training, partly because of staff turnover and also because she identified individual training needs. Till training for the new staff had been carried out by one of the full-timers.

A part-time assistant who was interviewed had received training as and when it was required, but had not received any formal induction training mainly because the previous manager had not been interested in training. For example she was given EPOS training when the system was installed, and was trained to do the 'cashing up' when there was no one else to do it.

The current manager said most employees had a good attitude towards training, because it was taken seriously by the company. One of her own reasons for joining the company was because she liked its attitude towards people.

7.3 Trainee Management Scheme

The deputy manager, aged 23, was a trainee on this scheme. She had entered retail in another company as a Youth Trainee. She had not much enjoyed at that time the training provided off the job at a training centre, but had learned a lot in her placement, which specialized in ballet and dance wear. She had subsequently joined the case study company on a full-time basis and from there had progressed to assistant manager – in another branch. On selection for the trainee management scheme she had transferred to this branch.

The trainee explained the nature of projects she had taken to date. Following Module 1 on Commercial Awareness she had carried out a project on market research. It had improved her knowledge of the kind of stock which was the most popular in her store's locality. After Module 2 on Personal Effectiveness she had identified her project subject as effective delegation and planning. She recognized that in a previous branch where she had been assistant manager she had not delegated enough. She was trying to reach a view on what type of management style was comfortable for her personally as well as effective. She had extended her knowledge from the Module by doing further reading in the public library and by keeping notes of her own observations. She had asked her manager to observe and let her known if she was not delegating enough.

The personnel and training manager had twice commented on her projects while they were being done, and her branch manager was also taking an interest. There was no requirement for the branch manager to do this, but the training and personnel manager was very pleased to see that level of involvement in the branch.

The trainee felt that the most important thing she had learned so far was that it was important to get to know people as individuals, but also to be firm in one's expectations of them as a manager. Having completed only two modules in the training programme she felt it was too soon to comment on it as a whole. Her ambition was to become manager of a decent-sized branch.

8. Union Point of View

8.1 Company Level Involvement

Training did not arise as an issue in negotiations with the company. Discussions concentrated on pay negotiations and recognition agreements.

In discussion, however, the union representative said that union officials thought the company should do more training for part-time employees. At present there was nothing for them outside the store.

8.2 Position of Part-Time Employees

In practice the majority of part-time employees worked less than 16 hours a week. This meant that both they and the company were relieved of paying a National Insurance contribution. Employment protection is also reduced for this group.[2]

[2] Further details in UK Retail National Report.

The union did not have a view about the high proportion of people employed on a part-time basis (for about 60 per cent of hours within branches). It was a 'sign of the times'.

8.3 Comments on Provision of Training

The company's current training provision had been in place only twelve months. The two main changes as far as staff were concerned were that training for managers now was mostly at area or regional level, rather than at headquarters, and that staff had to nominate themselves for training rather than wait to be selected by a manager.

The union representative saw the first change as mainly disadvantageous because he thought that attendance at headquarters courses gave participants more opportunities to develop a company perspective. There was more likelihood of getting out of touch when training was only at area or regional level. He thought the change had been made mainly to reduce costs during the recession.

Under previous training arrangements all member of full-time staff would be sent on a company course after 6 months with the company. Now all full-time staff, including sales assistants, were eligible for courses run by the company outside the store, but it was up to them to put themselves forward. On the whole the representative thought it was appropriate for staff to nominate themselves for training, because it gave them more control and left them less subject to the influence of managers. However, there was the possibility that sales assistants who had not been identified as potential managers would lack the confidence to put themselves forward. Some managers would encourage staff to identify their own training needs, but others would not, and some individuals might be overlooked.

In general, training provided by the company was good for those who received it. It would be available for the most part to those going for promotion. So some full-time sales assistants were at risk of being neglected, and part-time staff certainly were disadvantaged because nothing was offered them outside their own stores.

The representative thought response to training was strongly influenced by the manager's attitude. If he or she were keen, and encouraged staff to train, the staff themselves tended to be enthusiastic. Without a lead from their managers they might undervalue it.

9. Evaluation

9.1 Training Provision in General

Training in this company is directed from headquarters with responsibility for training in branches being that of branch managers. Managers are supported in this responsibility in three ways: by receiving training themselves, by provision of information and material for use in training supplied by headquarters, and through support offered at regional and area level.

The strength of this approach is that it services all branches. Moreover personal contacts between branch managers and regional personnel and training staff, and with branch managers who have responsibility for training in their area, allow for information both on training needs and level of training activity to be communicated to headquarters. The role of the regional managers, who are involved in headquarters training provision, while also carrying out visits to the field, are critical in this respect.

The effectiveness of the whole approach, however, ultimately depends upon the motivation and competence of the branch manager. If he or she is enthusiastic about training and delivers it well in branches, all staff will benefit; but in the absence of such commitment staff are likely to suffer. Headquarters personnel with responsibility for training would acknowledge that such weaknesses at branch level could be dealt with more effectively if they had more resources at area and regional level.

The shortcomings of the system as far as part-time staff are concerned were pointed out above by the union representative (Section 8). While part-time staff work approximately 60 per cent of opening hours, they constitute more than 80 per cent of the people actually employed in branches.

9.2 Management Trainee Scheme

This scheme is at an early stage. It will be some time before the company can carry out a full evaluation, though on-going monitoring is being done.

Its design is in accordance with good practice by current UK standards, relating as it does knowledge and understanding developed during sessions away from the job to practice in the workplace through projects relevant to that workplace. The requirement to identify and carry out a suitable project places responsibility for learning on the trainee, who is able to take account of his or her personal training needs at the same time as directing the project to activity which can benefit the workplace. When it occurs the branch manager's interest and involvement is an additional benefit. It would be desirable for all managers to make this type of contribution.

9.3 Transferability

All positive features of this company's training provision are transferable to retail companies with branch organization. The key aspect appears to be employment of staff who have training responsibilities both at headquarters and branch level. In a company with larger branches training

in training skills and other support for training would have to be provided for departmental heads and/or supervisors as well as for the branch manager.

Training which integrates learning off the job with project or other activity in the workplace is possible in principle for all workplaces. It requires the resources to develop or make use of an integrated training package, access to suitable training off the job, and the availability of senior staff, preferably in the workplace or alternatively through visits, to supervise trainees' learning on the job.

APPENDIX 1
Continuation Training Topics

- **Customer Care**
  - Selling skills
  - Establishing customers' need
  - Feature and benefit analysis
  - Related sales
  - Dealing with complaints
  - Questioning and listening techniques
  - Telephone techniques and communication
  - Wrapping the merchandise
  - Creating the right impression
  - Customer relations
  - Knowing your customer

- **Law**
  - Trades Description Act
  - Sales of Goods Act
  - Price indications policy
  - Health and Safety

- **Health and Safety**
  - Accident procedure (including reporting)
  - Accident prevention
  - Emergency evacuation and fire prevention
  - Looking after yourself
  - First Aid
  - Lifting
  - Wiring a plug
  - Bomb/incendiary devices

- **Product Knowledge**
  - Washing instructions
  - Features of different fabrics
  - Sizes
  - Measuring and estimating sizes
  - Trousers
  - Jackets
  - Knitwear
  - Accessories
  - Denim
  - Co-ordinating the look
  - Why product knowledge?

- **Admin and Stocktake**
  - Re-evaluation (104 system)
  - Checking off deliveries
  - Stockroom layout
  - POS reductions (102a)
  - Stocktake prep.

- **Epos**
  - Refunds and exchanges
  - Cash and paper handling

- **Display and Visual Merchandising**
  - Using the equipment
  - Preparing for a promotion
  - Pre-retail
  - Product co-ordination
  - Windows
  - Creating the right environment
  - Housekeeping
  - BPR
  - Using the Visual Merchandising Manual

- **Security and Stocklosses**
  - Causes of stockloss
  - Branch awareness
  - Stockloss prevention
  - Using security systems
  - Apprehending shoplifters
  - Theft
  - Fitting room control
  - Personal safety
  - Branch security standard instructions

- **Benefits and Conditions**
  - Know your payslip
  - Appraisals
  - Holiday Entitlement and Sickness Entitlement
  - Continuation Training
  - Use of Searscard
  - Pension and share scheme

- **General Awareness**
  - Role of: Buying and Merchandising
    Information Services
    Distribution Centre
    Personnel and Training
    Finance
    Retail Operations
    Audit and Security
    Area and Regional Management Team
    Marketing

- **Point of Sale**
  - Transax
  - Fraud at Point of Sale
  - Customer care including wrapping
  - Floor Limits
  - Till disciplines
  - What's this button for?

- **Business Awareness**
  - What is profit and contribution
  - Cost control
    Energy conservation
    Cost of time
    Controllable costs
  - Company mission statement and my job

- **External Sessions**
  - Crime Prevention Officer
  - Fire Brigade
  - Trading Standards Officer

APPENDIX 2
Management Trainees' Course

Objective

To develop the necessary knowledge, skills and personal qualities of the delegates to equip them for a potential first management appointment to a medium branch within 12 months.

Course Content

Module 1 – Commercial Awareness
- Retailing Today
- Marketing and Selling
- Money Management
- Management Style
- Management Skills

Module 2 – Personal Effectiveness
- Managing Yourself
- Managing Others
- Presentation Skills

Module 3 – Financial Awareness
- Profit and Loss
- Budgetary Control
- Cost Control
- Compiling a Budget
- Branch Performance Report

Module 4 – Managing People
- Personnel and Payroll Administration
- Staff Development and Training
- Assessment and Improvement at Work

Module 5 – Preparation for Management
- Influencing Branch Performance
- Merchandising Policy
- Health & Safety at Work
- Audit, Security and Administration

CASE STUDY OF A UK COOPERATIVE SOCIETY

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INTERVIEWEES

Training Services Manager

Employment Services Manager

Store Manager

Check-out Supervisor

Deputy Supervisor

Customer Services Clerk

Check-out Operator

Union Representative (based in a department store)

1. The Society

1.1 Nature of the Society and its History

The Society is a member of the national Cooperative Movement which has member societies throughout the UK. Compared with other such societies it is medium-sized. Like all societies it is owned by its members, who each have an equal vote on Society business regardless of the number of shares owned. Membership is open to anyone. Profits are distributed to the members through a dividend stamp scheme and various other promotions. The main purpose of the Society is to offer a service to members and customers. (In practice the two are often the same people.)

The movement began in Rochdale in the north of England in 1844, and the case study Society was founded in 1861 in the east of the country. Its first department store was opened in 1874, and during the 1870s and 1880s it opened village stores throughout the county in which it is based.

Many of those stores are still open, but in the meantime the Society has developed many additional interests including ownership of petrol stations, car dealerships, dairy depots, funeral departments, and travel agents.

The Society has doubled in size since 1979 as a result of taking over a cooperative on the edge of the county border, acquiring a major motor dealership and petrol stations, and some additional chemists. It is the third most profitable cooperative in the UK. It owns property on which it makes an income. With approximately 2000 employees, the Society is the third largest employer in the county, outnumbered only by the county council and one engineering firm.

Retail turnover in 1991 – including those operations outside this study's scope – was £141m.

The activities with which this study are concerned relate to 47 food stores, 12 chemists and 3 department stores. These are distributed throughout the county and in a few locations outside it, covering a region of approximately 2500 square miles. Outlets range in size from those employing only 2 or 3 people to large supermarkets of 20,000 square feet upwards (1800 sq.m.) employing more than 100 people.

1.2 Current Marketing Strategy

Since 1979 7 small village stores have been closed. The Society is in the process of updating and modernizing the remaining 47, a process which began three years ago. Many of them now open from 8 a.m. until 8 p.m., and eventually this will be true for all. In order to achieve this the number of part-timers, in practice women, employed for only a few hours each week is increasing. Some work as few as 6 hours.

Of the three department stores one is brand new. It comprises both a major food store and a large non-food store, plus outlets which are rented out to other companies. In an agreement with the local council over the use of land the Society built a health centre on the same site.

Computerization is proceeding steadily. At present there is a mainframe computer for the food stores, which will make it possible to have automatic stock-taking and bar coding. EPOS and laser scanning are being introduced. Stock systems are already computerized for electrical goods, furnishings and gardening, but there are no plans to bring in scanning within the department stores.

1.3 Role of the Union

Until recently there was 100 per cent union membership, but since the change in government legislation which requires employees to be informed that they have the right to choose whether to join, membership has declined: it is now between 70 and 75 per cent. Subscriptions are rising as membership declines, and the weekly cost deters some people, especially part-timers.

Wages and conditions are negotiated at national level through the Cooperative Employers' Association and USDAW. The union is represented nationally on the National Training Committee, which sets training policy for the cooperative movement as a whole. There is no union involvement at local level in decisions about training.

2. Occupational Structure and Numbers Employed

2.1 Company Structure

The Society is governed by a President and a Board of Directors, of whom six are men and four women. The most senior operational staff are the Chief Executive Officer, a Deputy Chief Executive Officer and a Financial Controller. Senior managers have the designation of controller.

The Society's retail employment structure is as follows.

Chief Officers

Controllers for Food and Non-Food,
Motor Group, Dairies, Personnel

Controllers/Buyers for Hardware, Fashion,
Chemists etc.,
new store openings

Store Managers

Departmental Managers

2.2 Numbers Employed

Tables 2.1 and 2.2 show the total numbers employed in retail at the end of April 1992. Of these between 30 and 40 people are employed

centrally in an executive or management role, and there are 46 food store managers. Details of the number of departmental managers and supervisory staff are not available.

There are almost twice as many female as male employees. The age profile for men and women is very similar, with about a quarter of staff in the youngest age group.

Among sales and warehouse staff there are currently five grades: sales assistant, senior sales assistant, specialist sales assistants, butchers, and warehouse staff. The number of butchers has declined in recent years as separate butchers' shops have been closed down to be replaced by butchers' departments in stores. Delicatessen departments have increased in importance by comparison.

2.3 Part-Time Employment

While no figures are available, the extent of part-time working has increased in recent years. The trend has been encouraged by the longer opening hours – 8 a.m. to 8 p.m. – of the village stores. The hours between 5 and 8 p.m. are worked exclusively by part-timers, mostly women, and some of them work only 6 hours per week: Table 2.2

Women constitute the majority of part-time employees – almost half of them being part-time – while only about 15 per cent of men are part-time. Women part-timers are almost 90 per cent of all those employed part-time.

Opportunities to work at managerial level as a part-timer are limited because it is thought necessary to have full-timers at that level. However, store managers in the village stores which are open 70 hours per week cannot be at work for all those hours, and in practice part-timers sometimes stand in for the manager.

2.3.1 Male and Female Employment

Among sales staff between 80 and 85 per cent are women. Of the 46 food store managers 24 are women, but within the department stores the majority of buyers are men. There are only 3 women among the 30/40 headquarters managerial staff.

Table 2.1 Distribution of Retail Employees 1992

Age Group	Male		Female		Total	
	No.	%	No.	%	No.	%
16–25	208	26.5	323	24.2	531	25.0
26–40	271	34.6	467	35.0	738	34.0
41–65	280	36.9	542	40.6	831	39.2
65+	16	2.0	4	0.2	20	1.0
Total	**784**	**100.0**	**1336**	**100.0**	**2120**	**100.0**

Table 2.2 Distribution of Full and Part-Time Employment 1992

No. Hours Worked	Male		Female		Total	
	No.	%	No.	%	No.	%
< 8	55	7.0	146	10.9	201	9.5
9–15	33	4.2	261	19.5	294	13.9
16–29	30	3.3	449	36.0	479	22.6
30+	666	84.9	480	33.6	1146	54.0
Total	**784**	**100.0**	**1336**	**100.0**	**2120**	**100.0**

2.4 Ethnic Minority Employment

The local ethnic minority population is very small, and consequently only a few members of ethnic minorities are employed. In connection with the Society s equal opportunities policy each new employee is asked to complete a form stating his or her ethnic origin.

A statement of the Society's policy is included in the Induction Workbook which each employee receives. It includes reference to disability as well as gender and ethnic origin.

3. Conditions

3.1 Opening Hours

Department store and chemists' opening hours are 9 a.m. to 5.30 p.m., country stores have a 12 hour day as described above, and larger food stores also open late several nights each week. The cooperative movement nationally is opposed to Sunday trading so long as it remains illegal on the statute book. None of the Society's shops were opened on a Sunday during the period before Christmas 1991 when many shops in the UK did open.

3.2 Rates of Pay

Wages are paid under national rates for all cooperative societies. Currently weekly pay at the adult rate for 18 years plus, which takes into account unsocial hours, is as follows:

sales assistants	£123.79
senior sales assistants	£126.87
specialist sales assistants	£134.85
warehouse staff	£137.41
butchers	£141.63

Based on a 39 hour working week, this represents an hourly rate between £3.17 and £3.63. The Wage Council minimum as from 1st April 1991 was £2.995.

Staff must work 9 hours a week before they have a permanent contract, and only employees working at least 9 hours have holiday entitlement. Those working 16 hours and above receive benefits comparable to those for full-timers. Part-time hourly rates are the same for full and part-timers regardless of the number of hours worked. The Society currently has a policy to limit the number of hours worked to around 17 per week wherever possible, because it means that National Insurance contributions from employer and employee can be avoided.

The national cooperative movement, with the participation of the unions, is currently involved in a job evaluation scheme. To date a shelf-filler has been paid the same rate as a sales assistant selling cameras and other hi-tech equipment. The purpose of the job evaluation is to vary the basis on which individuals are paid according to the nature of their responsibilities. There will still be five pay bands, but in total they will cover 35 different job descriptions instead of five broad categories. The union, the manager and employee will each have a role in deciding which job description the individual's job best approximates to.
The new pay bands have still to be negotiated.

3.3 Holidays

After one year's service holiday entitlement is 21 days, after 3 years 23 days, and after 5 years 25 days.

4. Recruitment

4.1 Recruitment and Selection of Sales Assistants

The main source of full-time sales staff is the Government sponsored Youth Training scheme, for which there are currently 25 retail places across the county. The Society has a policy of recruiting only the number of youth trainees for whom they will be able to provide permanent jobs. Because of the recession, numbers have fallen from those of two or three years ago when there were 150, of which 50 were retail places.

There is no requirement for youth trainees to have particular school leaving qualifications. They are judged initially on their application form and letter of application, and then take a basic literacy and numeracy test. At the interview the interviewers do not have access to information about the candidate's test results, and concentrate on assessing their potential for progression to higher grades.

Sales staff are also recruited through job centres and by newspaper advertisement, and applicants with previous relevant experience are preferred.

4.2 Recruitment and Progression of Supervisors and Managers

In the last four years the Society has recruited 5 managers from external sources for its larger food stores. All other store managers were recruited internally.

Youth trainees are selected with the potential for management, and currently 6 managers or deputies originate from this source. Many more are now supervisors or senior sales assistants.

A recent survey of training needs led to the conclusion that more training should be done in-house to prepare sales assistants for promotion, and a training programme at three levels is under

way at present to improve the numbers of people suitable for promotion to senior sales assistant, supervisor and manager.

4.3 Turnover

While the number of vacancies has fallen because of the recession, staff turnover in general is not high. Particularly on the non-food side many staff give very long service. A disadvantage is that there are consequently few opportunities for promotion.

Higher staff turnover within food stores has provided opportunities for youth trainees.

5. Training

5.1 Structure of Personnel and Training Department

Staffing of the department comprises the Personnel Controller, the Employment Services Manager and the Training Services Manager, plus two full-time training instructors. The managers have responsibility for initiating and developing training policy, and liaise with the Personnel Controller.

In addition to his personnel functions the Employment Services Manager takes responsibility for Youth Training. The Training Services Manager is responsible for all other aspects of training. Both managers visit stores frequently in order to set up and monitor training provision.

The Society has four training centres in different locations. All are thoroughly used.

5.2 Costs of Training

In 1991/92 costs of training were approximately £160,000, which represents 1.13 per cent of the wages bill of £14,134,000.

The total comprises the salaries of staff in the training department – approximately £60,000 – and costs of external courses, external trainers, books, materials and certification fees. No calculation is made of the costs of trainees' time away from the job, and no cost/benefit analysis of training has been carried out.

No overall training budget is set. The Training Services Manager has discretion over the services she buys in, and passes invoices to the finance department. Decisions about the number of staff in the training department are made by the Personnel Controller, by reference to recommendations from the Training and Employment Services Managers.

5.3 Identification of Training Needs

Until recently training needs have been assessed only informally, but in 1991 the Society negotiated with the local TEC (Training and Enterprise Council) for a 50 per cent subsidy towards the cost of employing a consultant to carry out a formal appraisal of training needs.

The consultant interviewed 40 staff at all levels of the company and held extended discussions with personnel and training staff about the Society's structure and future needs. In particular he compared the role of the supervisor with that of supervisors elsewhere.

He recommended that promotion from sales assistant to more senior positions should be based on prior training, rather than informally and without training as in the past. Details of the training being provided as a result of these recommendations are given in Section 6.

5.4 Training for Sales Staff

The Society and training department set considerable emphasis on induction. With an increase in the number of part-time staff, and the wide spread of store locations, it became impossible to get them all to training centres for induction. So the department has developed an Open Learning Induction Workbook which includes various forms and checklists for the trainee to complete and return to headquarters during stages of his or her first month at work. The intention is that the local manager should ensure that the open learning pack is completed, though it is recognized that some managers take more trouble over this than others.

Training is provided for all staff when a new store is opened covering such subjects as customer care, till training and food hygiene.

All staff working with food are required to do training leading to the Food Hygiene Certificate on an external course. Titles of other courses for which sales assistants are eligible are given in the Appendix.

Training leading to the NRTC Retail Certificate, originally introduced for Youth Trainees, has now been made available to sales staff, including some part-timers, in the largest department store, in a large supermarket and also for staff working in chemists. The request came from staff, who realised that youth trainees were learning more about the job than they knew themselves. It is hoped eventually to make it available to staff in all stores. The training department are satisfied that the Certificate's content meets the Society's needs, while both the training and the achievement of the Certificate at Level 2 has motivated staff, including those who have been employed in the Society for many years. Sales have improved.

While the Certificate provides a structure for basic training of youth trainees, it amounts to an opportunity for continuing training for established staff. The main emphasis is on assessment of competence on the job, but some off-the-job training may also be necessary either at a training centre or through use of open learning materials under the supervision of training department staff.

5.5 Training for Supervisors and Managers

A variety of courses are open to managers, as listed in the Appendix. These include a series of open learning packages, 34 titles in total, which cover such subjects as merchandising and cost control, legal aspects of retailing, information technology subjects, instructional techniques, and management of different specialist areas.

The techniques of instruction course lasts two days and gives preparation on how to give training on the job. The assessor training programme is related to the Retail Certificate. In order to assess progress towards the Certificate in-house it is necessary to have trained assessors. Thirty managers and supervisors have received nationally recognized training for the purpose.

Managers are also eligible to attend short courses run at Stanford Hall, the National Cooperative Movement's college, which is both a management training and conference centre. In practice courses for dairy and funeral management are most commonly used, though the one on supermarket management might also be used if the Society's own in-house programme were too full to provide an equivalent course.

The current management trainee programme is described in the next section.

5.6 Future Training Needs

Further analysis of training needs will depend on the evaluation of the new training programme – described in the next section. The consultant who carried out the identification of needs will do an evaluation, as will the training department itself. The question to be considered is whether the new training programme is meeting the Society's needs, as identified, and also the needs of those who have participated in the programme.

6. A Recent Innovation in Training

As a result of the training needs analysis described in 5.3 a training programme at three levels has been developed for senior sales assistants, for supervisors, and for career managers.

The senior sales assistant programme is for those recognised by their managers to have the potential to become supervisors. It involves study of five open learning units, attendance at three workshops, and carrying out of a work-based assignment. Units achieved at this level can contribute to accreditation for a nationally recognised qualification in supervisory skills. Eight assistants are currently taking part in the programme.

A similar form of training provision – open learning, plus workshops and a work-based assignment – is offered at the next stage, which gives successful candidates the qualification in supervisory skills. This is also equivalent to the third level of the Retail Certificate. Sixteen members of staff are involved. Supplementary to this programme is training for managers to enable them to carry out assessment of supervisory skills for the candidates.

In both cases carrying out of the assignment requires the involvement of the workplace manager. One recent assignment involved a time and costs analysis of sales of a particular type of travel ticket. The trainee discovered that financially it was not worth while. The service has been discontinued, saving the Society £1m. in one year.

The third level of training is for those who are already managers and who wish to progress to more senior positions. This involves using open learning material provided by a prestigious national management centre. Eight managers are taking part in the programme.

7. Visit to a Store

7.1 Nature of the Store and Staffing

The outlet in question is a retail centre with a supermarket and furniture store under one roof. Also on the site are concessions for a coffee shop and a garden centre. The following account of staffing and training relates to the supermarket only.

The centre is an out of town site on the outskirts of the county town. Opened two years ago it is regarded as a flagship store for the Society. Turnover for the supermarket in 1991 was just under £9m.

Job roles of the 126 staff at the time of the visit were as follows: (Table p. 76)

The store is organized on a three shift system, morning, afternoon and evening. The majority of part-time staff are employed for up to 17 hours per week, to avoid costs of National Insurance contributions. The manager is obliged to follow this company policy, because there is a limit to the amount he is allowed to spend on wages each week.

7.2 Recruitment and Training

When the store was opened both initial recruitment and training involved the personnel and training department. Fifteen hundred applicants were interviewed by personnel staff out of 3200 applicants, and the store manager personally interviewed 500. A training programme including company induction, customer care and food hygiene was organized in advance of the opening, and all training was carried out at a training centre. About three quarters of the original staff are still at the store.

	Male		Female	
	Full-Time	**Part-Time**	**Full-Time**	**Part-Time**
Manager	1			
Deputy Manager	1			
Supervisors	3		5	
Sales		15		89
Administrative			2	10
Total	**5**	**15**	**7**	**99**

Since the opening the store manager has been responsible for recruitment, and the organization of in-store training. When recruiting he looks for a smart appearance, pleasant manner and adaptable temperament, and for the potential to develop. At present new entrants from this store go to a company training centre, which is nearby, for induction.

The check-out supervisor trains new staff in check-out procedures including scanning, cash procedures, hygiene and security. She also provides training when necessary at the beginning of a shift on new procedures or promotions.

There is no concept of continuation training as such on a regular basis, but various types of training are available which in practice are examples of such training. One is training in food hygiene, which all staff who handle food have attended as an external course. It is also available for staff who have decided to work towards the Retail Certificate. Again the check-out supervisor takes responsibility for assessment, having been trained for that purpose. Twelve staff originally volunteered to work towards the Certificate, but only four of those completed the Certificate.

Two employees who were interviewed had achieved the Certificate, and both felt it had been beneficial in giving them new ideas and improving confidence in their capabilities. Training had been provided through activity in the store supplemented by the use of open learning materials. One of these employees had also attended a course on food hygiene and another on first aid. A check-out operator had attended a one day course in food hygiene, which she thought was very worthwhile. She was unaware of the existence of the Retail Certificate.

In general employees were appreciative of the training they had received and saw it as relevant to their work.

7.3 Training for Supervisors

The store manager has trained to be an assessor on the course for supervisors which leads to a nationally recognized qualification. In addition to providing assessment of competence on the job, he saw his role as encouraging trainees to ask questions, to think for themselves, and to undertake self-appraisal.

Two of the employees who were interviewed and had completed the Retail Certificate, were now undertaking the supervisor training. Both were part-time, one working 30 hours a week and the other 24. So far they had attended only one training day and received some of the open learning materials, so were not in a position to comment on the value of the training. One was going to do an assignment on what the store's strategy should be when a rival company opened nearby in the near future. She expressed some apprehension about her ability to find time each week to do study, which was expected to take between 5 and 8 hours. Both employees were interested in the possibility of promotion into management, though one in her forties wondered if her age would be against her. However, she thought the training would be relevant if she eventually started her own business, which was a possibility.

8. Union Point of View

8.1 Company Level Involvement

There was no forum at which the union could raise and discuss training issues, though it was represented on the health and safety committee, which was supposed to meet annually.

Union representatives discussed issues relevant to training at their branch meetings and, if it was decided to raise a subject with management, a letter would be written to the training and/or personnel managers.

The representative observed that the Society usually responded to issues which were raised, but that there were many aspects of policy, particularly on equal opportunities, which were not actively pursued unless the union asked for action. She doubted for instance whether the training department actually monitored responses on new recruits' ethnic identity, although there was the opportunity for employees to provide the information. Similarly she would have to bring pressure to bear to ensure that promotions were made fairly and with equal opportunities considerations in mind.

Although the health and safety committee was supposed to meet once a year, it had not done so for some time. The union would have to push for it. The Society had now agreed to send someone on a three day external health and safety course after the union had pointed out that the one day course it provided itself was inadequate.

8.1 Training Provision

The Society was fairly active in provision of training, but there were various respects in which the union would like to see improvement. Information about current courses had come to the union representative when quite a number of them had already been run, so there had been no opportunity to comment.

She was concerned, for instance, about the fact that too many courses were held at a distance from where employees lived. She thought more use could be made of training centres away from headquarters. Also some courses were held in the evenings in employees' own time. If they were outside the employee's town, access was almost impossible. In general she thought courses, which were for the Society's benefit, should be held in work time.

Part-time staff received induction training, which was satisfactory. However, insufficient attention was given to training in how to do the job. In her experience it was left to those who were already doing the job, and they did not have time to devote to proper training.

In principle she welcomed the training for senior sales assistants, supervisors and managers. Two women in her department had received management training, but in practice there were no opportunities for promotion, especially when the Society was recruiting managers from outside.

9. Evaluation

9.1 Training Provision

In total the Society provides a considerable variety of training, much of it available to sales staff as well as to managers. The needs of part-timers have been taken into account in the provision of induction training, and they are also eligible for food hygiene training and training towards the Retail Certificate.

Interviews with employees and with the union representative suggest that in practice employees are not always adequately informed about training provision. There is also the possibility that training for management is raising expectations which cannot be met in practice.

The training department managers acknowledge that identification of training needs and provision of training have to some extent been provided on an 'ad hoc' basis in the past. Therefore the recent formal training needs analysis in relation to promotion for management is an important and valuable innovation. The formal evaluation of this will also help the Society make its provision on a more systematic basis.

Use of open learning materials to back up the essential knowledge aspect of the Retail Certificate has proved satisfactory for the two employees who have already achieved it. The materials are being used by 27 employees currently working towards the qualification. The training department and the supermarket manager identified the commitment and support of local managers as a key element in the success of such packages.

9.2 Transferability

Subject to the proviso just made, use of open learning appears to be particularly appropriate for a company with widely scattered branches, especially when many of them are in country districts.

The fact that the Society decided to bring in a consultant to carry out training needs analysis illustrates the fact that even some larger employers may lack the skills and/or the confidence to carry out such tasks. This implies the need for such skills to be available externally and perhaps, as in this case, the provision of public subsidy to help pay for them.

APPENDIX
Courses open to all staff, including sales Assistants

Food Hygiene
- Basic
- Intermediate
- Advanced

Health and Safety at Work
- Basic

Chub Fire Extinguisher
Computer Course
Retail Certificate
Customer Care
Selling Skills

2.

Courses for Managers or those preparing for Management

Techniques of Instruction
Senior Sales Assistants programme
Assessor Training
Open Learning
Management Seminars
Co-operative College Courses

CASE STUCY OF A UK PHARMACY

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UK PHARMACY

INTERVIEWEES:

Owner/Pharmacist

Pharmacy Assistant

Pharmacy Assistant

Pharmacy Technician

Head of Training, National Pharmaceutical Association

1. The Company

1.1 Nature of Business and Clientele

The company is a single outlet pharmacy situated in the small shopping centre of a large publicly owned housing estate in a town in the North West of England. The estate was built around 1970, most of the inhabitants coming there from a nearby major conurbation to be rehoused. The shopping centre, including the pharmacy, a community centre and a medical centre were all established as part of the original plan.

A pharmacy has two functions: to dispense forms of medication as prescribed by a doctor and supplied at a fixed charge under Government regulations; and to sell non-prescribed medicines and other chemist's goods over the counter on a normal retail basis. Under regulations for the dispensing of prescriptions a fully qualified pharmacist must always be on the premises. In the case of this and many other companies the owner is a pharmacist. She manages the dispensing side of the business according to Government regulations, and must also make a financial success of the enterprise as a whole if she and her employees are to stay in business.

Many customers are old aged pensioners and there is a high level of unemployment on the estate. Both pensioners and the unemployed are entitled to Government subsidy on medical prescriptions: about 75 per cent of the pharmacy's customers are in this position. There are also a few customers from outside the estate. The owner and her staff know the majority of their customers by name. Some come in for a chat or a cup of tea. The owner describes her customers as a good cross section of that part of the population with no money. They are (in a colloquial phrase meaning the people on whom life itself depends) 'the salt of the earth'. Most of them are highly appreciative of the service the pharmacy gives.

1.2 Scale of Operations and Recent Developments

The owner worked as a pharmacist for about ten years under the previous owner. When he retired in 1985 she and her husband bought the business, and she manages it, her husband owning and managing another pharmacy elsewhere in the town. When the owner took over, the accountant advised her that there was no scope for growth. However, since that time the number of people employed in the pharmacy has doubled, to 12 at present, and currently gross annual turnover is around £250,000.[3] The owner puts that success down to good general management, on the retail side being aware of what customers will see as good value for money, and on the dispensing side having good stock control.

About four years ago information about all dispensing stock was computerized, and the pharmacy is directly linked to the drugs company which provides all supplies. The quantity of other transactions does not justify the introduction of EPOS. The skills required to input information onto the computer and interpret the information it provides are similar to those required for the operation of EPOS. Because all staff have direct access to this system and all the information it holds, they probably have a wider appreciation of its benefits and how to make best use of it, than would shop assistants dealing with an EPOS system only at point of sale.

2. Numbers Employed and Working Environment

There are 12 staff in total employed in the following capacities and at the times shown. (see Table below)

When the part-time pharmacists are at work the owner can attend to business demands outside the dispensary. In general the owner has a preference for full-time assistants in order to provide continuity of service, but a part-time assistant is employed in the afternoons, which is the busier time of day. Saturday staff stand in for the full-time assistants, who do not work on Saturdays.

	Pharmacists	Dispensing Technicians	Pharmacy/Dispensing Assistants
Full-Time	1 (the owner)	1	3
Part-Time	1 (4 mornings) 1 (2 days)	1 (6 hours daily)	1 (afternoons) 3 (Saturdays only)
Total	3	2	7

[3] Of which approximately 90 per cent is on the dispensing side. According to the National Pharmaceutical Association this is high; on average about 70 per cent of pharmacies' business is on the dispensing side.

All staff are female and none is a member of an ethnic minority.

The dispensing technicians work exclusively in the dispensary preparing prescriptions under the pharmacist's supervision. The assistants work both behind the counter selling a range of goods including proprietary medicines, and in the dispensary giving help to the pharmacist and technicians.

In practice some assistants work primarily in one area rather than the other, but all are expected to be able to work in both areas. As far as the retail counter work is concerned it is important that all assistants are aware of the ways in which customers are likely to describe symptoms on which they want advice, and of the active ingredients used in over the counter remedies. Assistants also need to be aware of the chemical composition and possible side effects in the use of such items as hair colourings and perms, and baby products.

The employer and employees work together as a team to provide high standards of service both in the shop and in the dispensary. The fact that they are all women, mostly with domestic responsibilities of which they must also take account for the organization of their working lives, probably helps to unite them as a group. High value is placed on working cooperatively both to solve workplace problems and to meet the needs of individual members, and on working as a team for the good of the community.

None of the employees is a member of a union.

3. Conditions

3.1 Opening Hours

Normal opening hours for Monday to Saturday are 9 a.m. to 6 p.m. The shop is closed for an hour at lunchtime. In addition the pharmacy is required under Government regulations and a rota system organized among all pharmacies in the locality,[4] to be open for additional hours one Sunday in eight and one week in eight. The pharmacy is also required to take its turn at being open on public holidays. All staff except Saturday staff take their turn at working the extra hours required under these arrangements. The owner is as flexible as possible on staff's working hours, taking into account their family commitments.

3.2 Rates of Pay

Pay is based on rates for those employed in pharmacies and chemists as recommended by the National Joint Industry Committee (NJIC) comprising pharmacy employers' organizations and the main retail union USDAW. The hourly rate is rounded up to the nearest 50p. In practice this is similar to the rates set by the Wages Council for the retail sector. Dispensing technicians are paid at a higher rate – 50p more per hour. The sector does not have its own pension scheme for employees.

Part-time employees' pay and conditions are fully pro rata.

3.3 Holidays and Time in Lieu

In addition to statutory holidays all staff have 21 days' holiday per year, and two who hold keys for the shop in case of emergency have an extra five days. Staff receive time in lieu for the additional hours they work to meet the rota requirements.

The task of scheduling staff to meet these requirements and also to ensure that a qualified pharmacist is always available is very complex. Nonetheless staff also receive time in lieu for hours spent on training outside normal working hours.

4. Recruitment and Progression

Recruitment of staff has been done to date entirely through word of mouth, potential new employees being recommended by existing employees or by other pharmacists with whom the owner is acquainted. The owner has considerable confidence in her employees' judgment of who will be suitable. She invites the applicant for an interview, which in practice involves showing the newcomer around the shop and observing her response and comments. What she is looking for is a person with a smart appearance, who is helpful, pleasant, not shy, eager to learn, and willing to fit in with others. She tries to judge the applicant's general level of intelligence, but is not concerned with formal qualifications. Most employees have had some relevant experience, either working in a chemist's before or some other kind of retailing.

Subject to employees' willingness to train, the owner likes to offer assistants the opportunity to become dispensing technicians. She is also willing to offer this opportunity to part-timers because staff usually prefer part-time work because of domestic responsibilities: as their children get older they will want to work longer hours and eventually become full-time. Several staff have progressed in this way from part to full-time work, and three have undertaken or are following technician training. The decision to employ a part-timer, however, is always taken primarily because of the needs of the business.

Staff turnover is low. All full-time staff have been with the company three years or more. One of the Saturday staff – a 19 year old – has been with the

[4] This is to ensure that members of the public can get access to prescriptions outside normal opening hours.

company four years. Having been trained by the owner she has just left to take up a full-time post with the owner's husband.

5. The External Training Provider – the National Pharmaceutical Association

5.1 The National Pharmaceutical Association (NPA)

Formal training within the pharmacy is based on materials and courses supplied by the NPA to its members. The Association is an employers' organization representing about 10,000 pharmacies within the UK. The majority of members are independents with between one and five outlets, and there are a few larger multiples. It is estimated that there are about 1700 other relevant businesses outside the Association, including two major multiples. The majority of pharmacies within the cooperative retail movement are members.

The Association provides a range of services for its members, both financial and representational, and among comparable employers' organizations has a well developed training service. Courses are provided for pharmacy and medicine counter assistants,[5] for dispensing technicians, and for pharmacists.

5.2 Training for Pharmacy Assistants

Staff Training Manual

As guidance for training on the job the NPA provides a Staff Training Manual which consists of a series of information leaflets on 60 topics divided into 4 sections:

- **Basic** for training on topics such as sale of medicines and health and safety;
- **Product** on topics ranging from aches and pains to vitamins and tonics;
- **Sales** dealing with different aspects of selling including dealing with customer complaints; and there is also a section for **Supervisors.**

There is a set of task sheets involving open ended questions for assistants to complete as they work their way through the manual. When all of these have been completed they can be sent to the NPA, which awards a certificate if the task sheets meet their standards. The initial cost to the employer is £55 for the course and £11 for certification. Each additional trainee who completes the task sheets will incur a cost of £22 plus the certification fee.

The Medicine Counter Assistants Course

The Medicine Counter Assistants (MCA) Course was introduced by the NPA three years ago in response to the fact that sales of proprietary medication were increasing nationally. It aims:

- to improve product knowledge among assistants selling non-prescribed medicines over the counter,
- and to raise awareness of the relationship between customer symptoms and needs in relation to those products.

In particular the course provides guidance on how to identify customers whose needs should be referred to the pharmacist for further advice. While some of the topics covered are also included in the NPA Staff training Manual, the MCA is more selective and deals with topics in more depth.

The other important difference is that it is an off-the-job course designed to be presented in six two and a half hour training sessions. The course tutor must be a qualified pharmacist. Because most tutors will not have had formal instruction in training skills, the pack is highly structured, providing the tutor with step by step guidance on how to proceed, and a plentiful supply of overhead transparencies.

The course was developed by NPA, and the costs of producing the pack and training materials, including a video, were met by a major drugs company. NPA pays a medical publishing and training company to administer the course, that is to provide a venue and provide equipment, publicise it within the locality where it is to be presented and deal with course applications. Fees per person are £90.

Other Courses

Until now the NPA has also offered one day off-the-job training courses for pharmacy assistants on selling, merchandising and product knowledge. These are to be discontinued because wholesalers and manufacturers offer similar courses free as a kind of PR activity.

5.3 Training for Dispensing Technicians

Dispensing technicians do not themselves fall within the retail sector, but we include brief information about the training which is available because it offers the opportunity of progression to retail assistants.

The course which the NPA offers is a distance learning one to be carried out under the supervision of a pharmacist. Costs including fees for a summer school are about £700, and the NPA expects the employer to pay these fees. While formal academic qualifications are desirable they are not a requirement; trainees should have had at least one year's work experience in a retail pharmacy.

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[5] Within larger pharmacies a distinction may be made between the job of a pharmacy assistant who sells a very wide range of products, and a medicine counter assistant who specialises in sales of over the counter medicines. In the case study company no distinction is made.

5.4 Courses for Pharmacists

The NPA offers pharmacists a distance learning pack in business management comprising three modules: The Law; Marketing; and Dealing with People. Each module takes approximately 25 hours of study, and the NPA issues a completion certificate for course work which has been completed appropriately. The cost of the modules varies between £130 and £180 depending on method of purchase. There is also a distance learning pack involving 10 hours' study about prescribing costs.

Off-the-job two day courses are also available on basic management principles, merchandising and stock control, and there are also short courses on specialist pharmacy subjects.

5.5. National Vocational Qualifications

The NPA has contributed to the development of the NVQ for retail, the Retail Certificate, and in principle it is possible for assistants working in pharmacies to register and qualify for its award. However, the owner in the case study company knew nothing about this.

The NPA itself is not promoting the Retail Certificate because it does not have the resources to do so; it could be promoted only at the expense of the courses they are already running successfully. In their view the requirements the NVQ system demands, such as the provision of training in assessment for a person in the workplace – probably the employer – plus the costs of registration and external assessor visits, puts it beyond the resources of small employers. Thus while the NPA wish to see the Retail Certificate succeed they believe that external funding should be provided to make it accessible to all employers.

6. The Pharmacy's Training Provision

6.1 Overview

The owner expects to provide training informally for all her staff both on the dispensing side of the work and on sales behind the counter, and more experienced staff help newcomers. When a new product comes in the owner makes a point of discussing it with all staff.

The NPA Staff Training Manual has been used with all staff, though not all have completed all the task sheets. One of the longest serving assistants did it on her own under the pharmacist's supervision. More recently a group of staff worked through it together in a discussion group led by the owner once a week over some months. One of these employees received an award from the NPA for the best set of answers in the month they were submitted.

All current employees have attended the Medicine Counter Assistants' Course. In addition two assistants attended short courses on selling and merchandising when the NPA was still offering them. It is likely that the owner will send assistants on manufacturers' courses covering equivalent subject matter in future. Experience will tell whether they are as satisfactory as NPA courses on similar subjects.

Two employees have registered for the dispensing technician's course and of these one has completed it and the other is in her second year. Students' work is marked by NPA tutors and both have done very well. One of these students was working only 4 hours a day when she started the course, but although the course is meant only for full-time staff the owner 'bent the rules' because she knew the employee would work full-time in due course. Another assistant is now interested in doing the course and the owner will be happy to sponsor her.

The owner herself has attended some NPA specialist courses and found them helpful. She would like in due course to do the distance learning course on business management.

6.2 Costs of Training

The costs per trainee of courses used by the pharmacy have been shown above. The owner does not set a budget for training, nor does she set a ceiling on the amount she is willing to spend per annum. The decision on whether to send a person on a course or buy training materials for use within the pharmacy is made according to whether the provision on offer appears to meet a training need.

6.3 Experience of the NPA Staff Training Manual

The owner described the Manual as very comprehensive and relevant to her assistant's work. She saw it as a useful resource for generating discussion among employees and increasing their knowledge and understanding. Among the three staff interviewed two had not completed the Manual, and had instead been transferred to the MCA course. Another who had completed the task sheets for the NPA Staff Training Manual thought that the information it covered was very relevant. 'Some of the questions could be answered by using your commonsense, but in other cases you had to do reading to answer them and this extended your knowledge.' However, she had completed the task sheets some time ago on her own – not in connection with recent group sessions – and had enjoyed the MCA course more because of discussion with others.

6.4 Experience of the Medicine Counter Assistants' Course

The owner ran the course with a pharmacist colleague. The company which administered the course insisted that they should have a minimum of 15 students. All technicians and assistants (except Saturday staff) from the owner's pharmacy

attended and the remainder were recruited as a result of her contacting all other pharmacists in the area. The owner felt that she should not have had to do this and that the course administrators let her down in this respect. In the end there were 17 participants, of whom 6 were the owner's employees.

She and her colleague thought the course material was good, they appreciated the level of instructions for them as tutors and thought the course video was very appropriate. They were pleased by the amount and quality of discussion the course materials generated among the group. The owner has subsequently written two articles for the pharmacy press to publicize the course and its value.

Both she and her colleague found the experience of running the course quite stressful because they were unaccustomed to acting as tutors. In addition the owner found arranging time in lieu for all the staff concerned fairly onerous; it also added to the costs. The fact that she acted as tutor and was paid for that helped offset the course fees and other costs.

Two assistants and a technician were asked for their comments. One said the main thing she had learned from the course was about reactions to different ingredients, and as a result she now asked customers more questions, for instance about other medicines they were already taking. Another who had enjoyed the course and the opportunities for discussion it provided, however saw it as being similar in content to the NPA Manual material. The technician, who said she was easily bored, did not feel she had learned much that was new.

Having to go out again in the evening to a course was thought to be something of a strain after a day's work, but it was acceptable for a few weeks.

7. Evaluation of Courses for Pharmacy Assistants

7.1 NPA Survey

In September 1991 the NPA carried out its own evaluation of the MCA course by surveying 500 members who had sent employees on the course during the three years since it started. There was a response rate of just under 50 per cent.

The case study pharmacy is typical of those responding in that the majority were single outlets and had annual turnover in the region of £200,000 – £400,000. Almost all respondents were owner-managers of the pharmacies sending staff on the course. On average two assistants had been sent per pharmacy.

When asked to rank perceived benefits in order of importance the most popular response was increased assistant confidence, followed by effective referral of customers, and increased customer satisfaction.

Eighty five per cent of respondents believed the course was convenient for staff to get to, and 73 per cent stated a preference for an evening course. In seven out of ten cases staff had attended courses in the evening.

Nine out of ten respondents said they would recommend the course to other pharmacists and more than 90 per cent said they would consider sending other staff on it. Most specific comments on the course were mainly very positive.

Here are some examples illustrating different concerns:

'I am too busy to organize a planned and structured staff training programme and welcome this kind of course since I believe the benefits to business are enormous. The effect on morale and team spirit are very high.'

'Locality is the main factor – if we had more courses within easy reach then more would attend.'

'Staff are very reluctant to attend training courses, either day or evening. I now make it a condition of employment when taking staff on to payroll – that they attend at least one training course per year. The staff who attended the MCA course were reluctant to join but very enthusiastic **during** and after.'

'Keep prices down' – comment of several.

7.2 Evaluation of Case Study Company's Experience

Both the NPA Staff Training Manual and the MCA provided content and structure over and above the training the owner was likely to be able to offer informally, despite her enthusiastic and conscientious approach to the work itself and the development of her employees.

In practice there appears to have been some confusion about the differences between the two courses, with two employees abandoning the broader Staff Training Manual once the MCA course became available.

While employees may prefer training in a group, the Manual will be at its most appropriate when used at an early stage in the employment of a new recruit. Involving other employees in discussion of each page of content may help to maintain the primary learner's interest, but in order for the full benefits to be gained the assistant needs to complete the task sheets. This means that the employer must be prepared to supervise use of the Manual on a one to one basis for each new recruit.

While the owner and her colleague found the task of tutoring the MCA course stressful, they delivered it successfully. NPA have demonstrated it is possible to design a course which is satisfactory even when tutors are without training experience – as corroborated by the survey response above. The success of the course also depends heavily on the enthusiasm and commitment of employers/ pharmacists who run it. The NPA experience with this course demonstrates that such enthusiasm can be found amongst small employers.

Within the case study company assistants' experience of such courses provides an introduction to further training as a dispensing technician for those who are interested in promotion and a more responsible job. Part-time staff benefit from the same training opportunities as full-timers, and the owner gains from having properly trained employees and low staff turnover.

7.3 Transferability

Both the Staff Training Manual approach and the MCA course appear in principle to be transferable for the independent retail sector in general. Making this kind of provision depends upon the willingness and ability of employers' organizations to organize training provision, and of independent employers themselves being willing to give time and effort to training.

The ability of employers to train is itself a critical issue. The success of the NPA's highly structured training pack for the MCA course may be partly related to the fact that pharmacists are themselves a highly educated group of people. Employers without an equivalent professional background might lack the confidence to deliver a comparable off-the-job course, and would perhaps need some basic training as trainers.

CASE STUDY OF A UK HEALTH FOOD SHOP

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UK HEALTH FOOD SHOP

INTERVIEWEES

Both Owners – Husband and Wife

Assistant Manager

Full-time Sales Assistant

Part-time Sales Assistant

1. The Company

1.1 Background

Nine years ago the owners of this Health food shop obtained the lease of the property and opened the store. At that time the owners owned two other health food stores which they had had for two years. On opening this store the owners decided to close the other two stores, leaving them with the one. The store not only sells food products but also vitamins, cosmetics and remedies.

The store is situated in the centre of a good-sized cathedral city in the south of England and attracts people from a large area, and of all classes, due mainly to the wide range of products that the shop sells. The store also provides a takeaway service which helps to increase the range and numbers of people who visit the shop. People of all ages visit the shop.

Turnover in 1991 was £832,000.

1.2 Recent Developments

Almost two years ago sales figures started to decrease and continued to decrease. In response to this decrease the owners offered two options to their staff: either to take a cut in hours together with an increase in the hourly rate of pay, or to stay with the same hours but without a pay rise. Staff opted to reduce their hours and take a pay rise. Since then the store's biggest competitor has closed down, which has meant an increase in custom. As a result staff hours have been increased but still on the higher wage.

The main changes that have occurred over the last year have been changes to the range of products sold. For example the range of frozen meals has been increased as the market for this has been expanding. Also the 'essential oils' range has been expanded dramatically due to increasing demand.

2. Occupational Structure and the Numbers Employed

2.1 Numbers of Full and Part-Time Employees

In total there are sixteen people who work at the store. This includes the husband and wife (the owners). Apart from the owners there are five full-timers and nine part-timers. One of the full-timers is the assistant manager.

The hours of the part-timers vary: one part-timer works four days a week, two work three days a week, five work two days a week and there is one Saturday girl. The days worked by part-timers are organised so that there is ample cover for when full-timers have their day off in the week, and so that there are enough staff to cover the busiest days, for example a Wednesday.

The full-timers split their days in two. They spend half a day working on the till and the other half on the shop floor dealing with customers. Each member of staff is given a range of products to be specially responsible for. This means checking that there is ample stock both on the shelves and in stock, ensuring that all information about those particular products is available, and making sure that the products on the shelves are tidy. The owners believe in giving staff as much responsibility as possible in order to achieve the best performance.

The most significant change in the last five years has been the switch from employing only part-time staff to employing both full-time and part-timers. This switch is because of a number of reasons: firstly continuity is very important, secondly if the owners wanted to go away at any time, the cost and effort of employing a relief manager did not prove worthwhile, and thirdly the store has a very broad customer base who enjoy seeing a familiar face. This can be a problem if the staff are all part-timers.

2.2 Characteristics of Employees

All of the staff are female. The owners believe on the basis of their experience that women do a very efficient job and carry out all tasks with minimum fuss, even the washing up!

All of the employees tend to be from the age group, 30–50. The main reason for this is that on the whole the owners have found people of this age group to be more reliable. Younger people have been known not to turn up for interviews, and, if they do succeed in getting a job, do not do the work properly. Another important reason for employing this age group is that customers prefer asking advice from older staff. The owners have found that, on the whole, women with dependents who may be returning from a career break are very enthusiastic workers who appreciate all the money they earn.

At present the store does not employ anyone from an ethnic minority group. This is due mainly to the area where the shop is based, as very few people from ethnic minorities live in the region. In the past nine years one person from an ethnic minority group has been employed.

3. Conditions

3.1 Opening Hours

Normal shop opening hours are from 9 a.m. to 5.30 p.m. Monday to Saturday. Staff working hours are based on 9 a.m. to 5.45 p.m. to allow 15 minutes for clearing up. The shop does not open late any evening in the week and does not open on Sundays.

3.2 Rates of Pay

Employees are paid the hourly rates set by the Wages Council for full-time and part-time workers. Full-timers, each of whom organizes a particular section within the store, including the ordering of goods, are paid an additional £20 per week in recognition of those responsibilities. The assistant manager of the store earns approximately £9000 per annum.

In addition, every employee receives 50 pence a day parking allowance regardless of whether they drive to work or not. Staff who have obtained the NAHS Certificate (explained below) receive an additional £2 per week and those who have completed the NAHS Diploma receive an extra £5 per week.

3.3 Holidays

All staff receive four weeks' holiday per year with an additional two days after five years of service.

4. Recruitment

All vacancies are advertised in the local newspaper. In the past the Job centre was used, but the candidates who were sent for interviews from the Job centre tended to be very unsuitable. Thus, although it is cheaper to use the Job centre, newspaper advertisements are used instead. All advertisements in the paper are prominently presented, but the address of the store is never put in the advertisement as, 'if people do not know where the shop is located then there is no way that they are interested in health foods'!

Recruitment is dealt with by the owners with no involvement of the assistant manager. The owners prefer to recruit staff who have some experience in health related topics, for example a part-time assistant who was interviewed had previously worked in a nursing home caring for people. Promotions are advertised internally, although having such a small number of staff they are few and far between. There have been opportunities in the past for part-time staff to be promoted to full-time.

5. Training

5.1 Opportunities and Arrangements for Training in General

The induction training for new staff is carried out by the owner. This induction training covers:

- Stock control
- Product knowledge
- Stock rotation
- Shelf-filling
- Till procedures

A manual, produced by the owners themselves, is provided for each new member of staff which covers all the areas mentioned above and also includes fire regulations, fire drills, deliveries and hygiene. Every week, usually Mondays, the owner spends around half an hour with the staff, to check that every aspect of the training has been understood and to discuss any problems that may have arisen either from the training or on any other matter. Every month staff attend an in-house training session which can be either on a general subject or on a specific targeted area. All staff attend this training session even if they are not working that particular day.

The owners, who themselves run external training courses for people interested in setting up their own Health Food shop, intend to start running a training course in-house whereby, once every two months, suppliers will come to the store and train the staff on their own products. The aim of this training is that it will increase the staff's awareness and enable them to pass information on to customers with confidence.

The owners are to install a new EPOS (Electronic Point of Sale) system with the aim of controlling all areas of work more efficiently. All staff will be trained on this system as it is expected that it will reduce workload by half. There will be no staff redundancies as the extra time will be spent on the shop floor helping customers and reducing such problems as shoplifting.

5.2 External Training Provision

The National Association of Health Stores is an Employers' Association which provides various services to its members. These services include training, which is also provided to non-members but at a much higher cost, and a site evaluation service for people wanting to set up a health store. Membership includes Northern Ireland and currently there are about 600 members. A condition of membership is that the employer conforms to the code of standards, of which a requirement is that all staff, including part-timers and full-timers, receive training.

Both the Certificate and the Diploma are open to members and non-members of the NAHS. The certificate is divided up into modules and employers can pay for each of their employees either by module or in full. For the Diploma the employer must pay in full. The prices are as follows: (Table p. 91)

5.3 The NAHS Certificate

The Certificate course is presented in the form of three modules. The content of each module is as follows:

Module 1

Basic retail skills required in a store are covered under owner/supervisor supervision and, if this module is completed successfully, the candidate receives the Royal Society of Health (RSH) Essential Food and Hygiene Certificate. Completion of the module also acts as accreditation towards the NAHS Certificate.

Prices of NAHS Training Courses

	NAHS Members	Non Members
Certificate:		
Payment by Module		
Module one	£42.30	£82.84
Module two	£35.25	£62.28
Module three	£23.50	£50.53
Payment in Full	£90.77	£173.54
Diploma:	£247.93	£376.00

Source: IMS/NAHS
Note: all prices include VAT at 17.5%

Module 2
This covers food and wholefood, and food and health. Again if this part of the module is completed successfully another RSH certificate, the Food and Health Certificate, is obtained in addition.

Module 3
Module 3 covers the over-the-counter aspect of the job, and provides natural medicines and dietary information. In addition, candidates may do a project as part of the RSH Food and Health Certificate. If this is completed successfully then candidates receive a distinction in that certificate.

At the end of each module candidates complete a questionnaire which covers the content of the module. After all three modules have been completed, students sit a one hour examination which is marked by NAHS.

Sitting of the examination is followed by attendance at a seminar. On average seven students attend each seminar. It is the responsibility of the candidate to choose when he or she wishes to take the test. There are various locations around the country where the student may sit the examination so that they can choose one that is as local as possible. NAHS like to examine a similar number of students each time and so often delay an exam date until a certain number of students have decided to attend.

5.4 The NAHS Diploma of Health Food Retailing

The Diploma can be done by open learning. This involves a series of reading and writing exercises which are completed in the student's own time normally over a period of about 5 months. There are two seminars to attend, a three day seminar and a two day seminar. The course content is as follows:

- training skills and interviewing
- food science
- food for health, diet and healing
- alternative therapies

At the end of the course there are two compulsory examinations of two hours each, and two examinations of twenty minutes on subjects chosen by the candidate from a range of options.

5.5 Use of External Courses in the Company

All staff at the case study company do the NAHS (National Association of Health Food Stores) Certificate and/or the Diploma. However, the company has made it a policy that they will not send anyone to do an external course until they have been a member of their staff for at least three months, as they are concerned in case staff leave as soon as they have been trained.

A part-time sales assistant, who was interviewed, had recently completed the first module of the Certificate. She thought the content of the module was mainly common sense but felt it worth doing because she found that, as a part-timer, it was easy to either forget aspects of product knowledge for example, or miss out on important events that happened in the shop.

The full-timer who was interviewed had been made assistant manager since taking the Diploma. She was very pleased to have completed the Diploma because it had changed her working life dramatically. Not only did she now have much more responsibility at work, but she also had increased confidence when doing the job.

5.6 Assessment

A large part of the assessment for the Certificate is the responsibility of the supervisor/trainer in the store. The supervisor will usually have achieved

the Diploma and thus have had training in the skills required to carry out this assessment. The questionnaires completed at the end of each module allow NAHS to monitor the situation and to ensure that all is going to plan. The examination taken at the end of the Certificate and those taken for the Diploma are marked by NAHS in order to ensure national standards.

5.7 National Vocational Qualifications

NAHS is at present involved in negotiation with the National Council of Vocational Qualifications about how existing NAHS qualifications might be adapted in order to be recognized as NVQs.

Under discussion is an arrangement whereby those aspects of the NAHS Certificate relevant to retail skills in general would no longer be covered by NAHS. Instead candidates would work towards Levels 1 and 2 of the existing Retail Certificate. NAHS would be responsible for development of a specialist option for health food retailing open to employees working in that subsector.

While NAHS is supportive in principle of NVQs, they have doubts about their viability for small businesses. Costs for the whole process are expected to be above those for the existing NAHS Certificate. They would include the registration cost of £30/40 per candidate, the expense of training employers or supervisors in assessment skills, and the cost of visits from external verifiers.

The owners of the case study company were aware in a general way of NVQs, but had not considered how they might affect their own training provision.

6. Evaluation and Transferability

Both the Certificate and Diploma courses were contributing to staff development and to maintenance of standards within the store.

It seemed that training led to increased levels of confidence. All the staff interviewed felt that doing further studying increased their confidence in carrying out their day to day duties, and also in dealing with customers. It had been a long time since many of the staff had done any studying, and so completing either a Certificate or Diploma was a significant achievement. Moreover it appeared that training was helping to increase product knowledge and thus employees' ability to pass correct advice on to customers.

There is inevitably some overlap between internal and external training. However a certain amount of overlap is not always a bad thing as it helps to reinforce learning.

Both the in-house training and use of a staff manual, and the NAHS courses, appear in principle to be transferable for the independent retail sector in general. Making this kind of provision depends upon the willingness and ability of employers' organizations to organize training provision, and of independent employers themselves being willing to give time and effort to training.

PART 3:

9. Commentary on the Case Studies

SECTION 9 – COMMENTARY ON THE CASE STUDIES

9.1 Choice of Case Studies

The six case studies sample the diversity of the UK retail sector, including as they do two leading national concerns, two medium-sized companies (one a cooperative society), and two very small independents. Also represented is the food sector, a department store chain covering both clothing and food, a specialist clothing chain, and two other specialities: a pharmacy and a health food store.

The particular companies had all been recommended as having strong training provision; particularly among the independents this is atypical. One company was chosen because there was said to be some involvement of the trade unions in discussions about the content of training. This is very unusual within the UK.

Three of the companies have branches throughout the UK. The others are located respectively in the north, east and south of England. Location is not in general an issue, except that during times of high employment labour turnover historically has been much higher in the south and south east than in other parts of the country.

9.2 Training Policy

The question we raised in Chapter 7 about training within retail generally was whether employers, even in the favourable recruitment conditions resulting from the current recession, believe it is necessary to provide training in order to perform at a level comparable to that of their competitors. In the case study companies the evidence is that they do.

The four large case study companies all had a policy of providing training throughout the company. To some extent present provision was part of a pattern established over a period, but the scale of activity overall had recently increased as part of a general improved recognition of the importance of training. Long established provision was likely to include some form of management training, initial training for new entrants, for example through the Youth Training scheme, or weekly continuing training provided for all staff.

Short term initiatives had been undertaken to meet specific objectives decided either at chief executive level, or as a result of staffing or training needs identified by the personnel or training department as part of their ongoing responsibility to train staff for the job.

The task of organizing training was very different for the two independent employers. Far fewer people were involved, but on the other hand the owner him or herself had to coordinate that among many other responsibilities. The existence of relevant external training providers in both these cases was crucial.

The motives for training were similar whatever the size of organization: to provide a good quality of customer service and to be a good employer.

Priorities and problems varied company by company. The following sections comment on those.

9.3 Recruitment and Training of Sales Staff

None of the case study companies had experienced difficulty in recruiting sales staff, and during the current recession staff turnover had greatly reduced. They did not in general require any qualifications from new entrants, including youth trainees, and were interested mainly in applicants' personal qualities and ability to communicate. Previous experience would be regarded as an advantage in the case of older recruits, but often was not a stipulation.

All of the case study companies provided initial training and some form of on-going training for sales staff, but weekly updating training, the form of further training available to all staff regardless of status, was not necessarily linked to personal development, career progression or promotion. However, the two independents – the health food store and the pharmacy – provided further training in the form of external courses both to full and part-timers, and food hygiene training leading to a certificate was provided by the cooperative for all sales staff who had contact with food.

Further training was linked to progression into management in all the larger companies, and sometimes existing sales staff were eligible for this.

9.4 Training for Part Time Employees, Women and Ethnic Minorities

The question of access to training is crucial for part-timers because they constitute such a high proportion of basic grade employees.

A condition of employment for the trainers employed in the grocery store outlets was that they would work shifts. This was to ensure that part-time staff received initial training whatever hours they worked. In the department store group, by comparison, some part-timers missed training because they were not at work at the right time. A similar problem affected the menswear store. Their intended solution was to provide continuation training after hours for one hour each month. It was hoped that all sales staff, including part-timers, would be willing to attend in their own time.

Within the pharmacy, health food store and cooperative, part-time staff were receiving similar training to that provided for full-time staff, and training was provided within the company's time.

Whether staff received more advanced training often was affected by whether they were eligible for promotion. In the menswear store part-timers, mostly women, had no opportunities for promotion and therefore for the training related to it.

One of the arguments against use of part-timers for supervisory and managerial positions is that they are not available during normal working hours. This loses some of its force in the case of supermarket chains with an extended working week where all employees have to work shifts. Promotion was a possibility for part-timers in the grocery chain, but in practice few had been promoted. This may have been partly because the company had a very high level of turnover among sales staff, particularly part-timers, who often chose to work only for short periods.

In general, women appeared to fare worse with regard to training and opportunities for promotion because they occupied most basic grade and part-time positions. The improvement of their situation within the retail sector appears to depend primarily on the amount and quality of training offered to this, the majority of employees.

By reference to nationally compiled statistics, ethnic minorities were equally represented vis-a-vis the external population in the two largest case study companies, though concentrated among sales staff. The menswear company, which was monitoring ethnic minority representation at all levels, was employing less than the national proportion, while the cooperative, although it was collecting the relevant information from new employees, was not putting it to use. There was no evidence that those members of ethnic minorities who are employed suffer particular discrimination in receipt of training over and above the fact that they are unduly concentrated among sales staff. Their underrepresentation at higher levels again illustrates the importance of good training linked to opportunities for promotion for those in basic grade work.

Neither independent company had an equal opportunities policy, and in practice were employing only white women. Both are in areas with few members of ethnic minorities in the local population, but to the extent that informal recruitment practices are used, whereby existing employees pass on news about vacancies to acquaintances, such individuals are likely to be disadvantaged when seeking work.

9.5 Training for Managers

While entry into supervisory and management grades was open to some sales staff in the larger companies, there were several other routes, youth training, direct entry or graduate entry. In these cases the new entrant would be regarded as a trainee, and receive training both on the job and on external courses.

Within large companies continuing training for management is usually better developed than that for sales staff, and courses outside the workplace are available to more of the relevant employees. This was clearly the case in the menswear chain. In the cooperative external courses were available only for managers, but on the other hand a large proportion of training provision was being devoted to training for senior sales assistants and supervisors to prepare them for management.

In connection with training for management it is important that training needs are appropriately identified, that the training offered meets those needs, and that the working environment is organised in such a way that trainees can put into practice what they have learned. Both in the cooperative and menswear chain recently developed management training programmes focussed on projects and assignments which trainees were to carry out in their workplaces with relevance to conditions there. While it was too early in either programme for full evaluations to have been carried out, the indications were that training with that kind of workplace dimension was meeting trainees' needs, and also enhancing the value of training in the workplace both for themselves and colleagues.

9.6 Distance Learning

Distance or open learning methods appear to have considerable potential for providing improved access to training for staff who are working shifts or whose jobs are remote from a training centre. For these reasons it was being used by the cooperative as a means of providing induction training for sales assistants recruited to branches. The cooperative's management and senior sales assistants' training programmes also involved open learning packages, while the menswear chain and the pharmacy were both making use of distance learning materials to be completed by an employee as the basis for initial training. Similarly the larger department and grocery chains were making very wide use of such packages. They are particularly apt for use with part-time staff, who may otherwise miss out on group training sessions.

What appeared to determine the success or otherwise of such packages was whether the local manager encouraged staff to use them and provided supervision. Without such interest staff were likely to conclude that the training was of no importance and to lose motivation. Alternatively the approach could be used effectively when linked with face to face training sessions for which trainees could prepare by using the open learning materials in advance.

9.7 Achieving Effective Delivery of Training

The points just made about distance learning apply to all training provided on the shopfloor:

whether or not it happens depends mainly on the owner, local manager or supervisor. If he or she is convinced of the merits of training, training will almost certainly be provided – as in the pharmacy and health food store. In the absence of such conviction, either it will not be done or carried out half-heartedly.

The training and personnel team in the menswear company were acutely aware of this, and saw their main aim as raising awareness of training and the ability to train among store managers. Lack of resources was inhibiting them from achieving as much as they would have liked in this respect.

In the grocery chain a team of dedicated trainers was being developed in order to ensure that training was done, precisely because when training had been line managers' responsibility it tended to be squeezed out by other demands. The new arrangement was working much better, but some tensions were still evident in stores because of line managers' and trainers' different priorities.

9.8 Costs of Training

The larger companies had information about the costs of training, but only in one case did this include the indirect costs, that is those including time of trainees away from their usual work. In this case training costs amounted to 4.3 per cent of the wages bill, but in the cases where only the direct costs of training were included they amounted to between 1 and 1.5 per cent.

None of the companies carried out formal cost/benefit analysis of training. As such types of analysis are highly sophisticated, do not give clear and unambiguous results, and require the skills of economists for their conduct, it would be rather surprising if they were done on any scale by commercial companies. It is perhaps more unexpected that one of the middle-sized companies – the cooperative society – had no overall budget for training, but paid expenses as they arose.

In this case, as in the independent pharmacy and the health food store, decisions about what to spend on training were based on the perceived value of specific courses or related activities. The expected benefits to the company and individuals in question were regarded as sufficient justification provided the actual cost of what was to be purchased appeared to be itself reasonable.

9.9 The Nature of Training – Transferable or Specific?

Both initial and continuing training can be offered mainly to meet the needs of the particular employer; or it can be designed so that skills and knowledge are transferable, and used with very little additional knowledge in a similar workplace or organization. The qualifications offered by the pharmacy and health food store would in each case be transferable within the respective subsectors. While holding such qualifications might be regarded favourably by employers in other subsectors, the qualifications themselves have not been designed to be transferable for that purpose.

NVQs (National Vocational Qualifications) currently being introduced within the UK – the NRTC Retail Certificate is an example – are designed to enable employees to acquire qualifications, transferable among employers, as a result of training offered while they are in employment. In the cooperative and menswear chain the Retail Certificate had been used primarily to date with youth trainees. It was being tried out on an experimental basis with other sales assistants in the menswear chain, and had also been offered to sales assistants in some of the cooperative outlets. In the latter case it would in due course be offered to sales assistants in all branches, though interviews in one branch where it was available in principle suggested that not all assistants were aware of the opportunity.

In the department store the Retail Certificate was being introduced on an experimental basis. The grocery chain had introduced it in about 20 stores in its Northern region. Both companies had some reservations about the Certificate, partly because of the administration involved in dealing with bodies like the locally based TECs and the national awarding bodies, but also because there were some doubts about its relevance to their particular subsectors. The grocery chain was also concerned about costs. Doubts about the operation of the process were causing them to delay further expansion.

Both the trade associations associated with the two case studies of independents, and who provide training for small employers, have contributed to the development of the Retail Certificate, and are in favour of its use by retailers in their respective subsectors. In practice, however, the employers were not aware of the existence of the Certificate and the associations were not promoting it to their members. They envisaged that the costs of assessment would be too high for small employers. Another factor may be that the Certificate itself would be in competition with the types of training and qualifications already provided by the associations and in which they have invested considerable resources.

9.10 Trade Union Role

Trade unions were recognised in three out of the four large companies investigated. The question of union membership appears not to have been considered either by employer or staff in the two independents. Generally there does not appear to be a well-developed local role for the unions in company discussions about training issues, even in the grocery chain which was recommended for

its union involvement. The exception was the case of the cooperative, where the union was represented on the national training committee. This committee has an influence on the way in which member cooperative societies organize training. However, there was no forum at local level for the expression of union views, which were conveyed by letter to management after union branch meetings.

In the absence of any formal means for ascertaining employees' views on the training needed or provided, employers or training managers appeared to rely on trainees' evaluations of training at the end of training sessions, and on informal feedback via managers in the workplace. The independent owners were in daily contact with their staff and there were plenty of opportunities for training among other issues to be discussed.

9.11 Staff Attitudes

While the employees we interviewed varied in their degree of enthusiasm for the training offered, the majority were positive and thought training valuable. None of them had strong views about ways in which the training itself might be improved, or on its availability. But none had clear expectations either of employers' duties or of their own rights as employees.

In the companies investigated training was held in high regard, and there appeared to be no difficulties in gaining the cooperation and interest of staff. Formal opportunities for employees to express their views about training were non-existent, but there is no evidence to suggest that the majority saw a need for them. Active local unions who have a wider appreciation of the issues for all employees might, however, welcome improved opportunities to have employee interests effectively articulated.

9.12 Training Within the Independents

To the extent that independents depend on very long opening hours for their survival they may not see a need to train their sales staff. However, the two case study independents we investigated were in specialist parts of the market, and developing the skills of staff was a priority for their owners. The success of these two companies in providing training, and the role of the employers' organizations which serviced them, demonstrates that it is possible for training to be offered for staff of small employers.

The lack of progress in introducing NVQs, however, suggests that some employers regard their costs as inhibiting. We understand that the National Retail Training Council (NRTC) is aware of this issue, and will soon be undertaking a review of the costs to employers.

9.13 Conclusions

Training provision in the case study companies was, in all cases, well established, and had recently increased. Companies justified that level of provision as necessary to maintain and improve the quality of staff. Benefits were, in most cases, assessed by expected likely value to the company and participants, rather than by strict financial criteria. In the four large companies, continuing training was better developed for managers rather than for basic grade staff, the majority of employees. Part-timers, who are usually female, were most likely to miss out on training and development opportunities, indicating scope for improving training and access for this important group.

For basic grade staff, the future of the new national Retail Certificate is a crucial issue. The advantage of it from the employees' point of view is that it gives them a widely recognized qualification which can be transferred to other employers. Case study employers and company training departments, however, were concerned primarily with how well this new approach fitted their company needs, and also expressed concern with what they regarded as excessive bureaucracy and costs involved with the NVQ process. Whether or not they will incorporate the new approach on a permanent basis it is very hard to tell at this stage of development.

The availability of NVQ-related or other training to part-time staff is considerably affected by company policy. The grocery chain, for instance, had insisted that training staff work hours to fit in with part-timers. Both the independents were willing to provide training for part-time staff because, in the long run, it was believed that an investment in their training would be repaid. Part-timers were most at a disadvantage when it came to training related to promotion. This was not a possibility for part-timers employed by the menswear company, and opportunities appeared to be limited to only a few in other cases.

In larger case study companies, there were difficulties in ensuring effective delivery of training at local level. The experience of large companies – and the success of the independents in providing training – suggests that commitment to training on the part of the person in charge is the most reliable way of achieving it. Training for managers themselves is one way of helping to achieve that commitment. Provision of courses, training materials and resources, whether by the company or a trade association, is the other side of the equation.

In the three companies which recognized unions, there was no involvement of trade unions at local level in dicussions about training. Opportunity for employee interests to be formally presented is therefore limited.

The case studies demonstrate that distance or learning materials can be valuable as a means of bringing training content and objectives to a wider range of people than could be accommodated by face-to-face training. It is unrealistic, however, to think that they can stand alone. Effective training almost always required some personal input from a person other than the trainee him or herself. The challenge for companies, in respect of this as of all other training delivered in the store, is to ensure that local managers and supervisors themselves have the interest, time and skills to provide such support.

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CEDEFOP — European Centre for the Development of Vocational Training

Training in the retail trade in the United Kingdom

Janet Toye, Mark Spilsbury and Claire Davies

Luxembourg: Office for Official Publications of the European Communities

1994 — 75 pp. — 21.0 x 29.7 cm

ISBN 92-826-7320-0

Price (excluding VAT) in Luxembourg: ECU 8

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